



Finance Committee

Date: TUESDAY, 21 MAY 2019

Time: 1.45 pm

Venue: COMMITTEE ROOM - 2ND FLOOR WEST WING, GUILDHALL

Members:	Rehana Ameer	Jeremy Mayhew
	Randall Anderson	Andrew McMurtrie
	Nicholas Bensted-Smith	Deputy Robert Merrett
	Chris Boden	Deputy Hugh Morris
	Deputy Roger Chadwick	Benjamin Murphy
	Dominic Christian	Alderman Sir Andrew Parmley
	John Fletcher	Susan Pearson
	Caroline Haines	William Pimlott
	Michael Hudson	Deputy Henry Pollard
	Deputy Wendy Hyde	James de Sausmarez
	Deputy Jamie Ingham Clark	John Scott
	Deputy Clare James	Ian Seaton
	Alderman Gregory Jones QC	Graeme Smith
	Alderman Alastair King	Sir Michael Snyder
	Gregory Lawrence	Deputy James Thomson
	Tim Levene	Deputy Philip Woodhouse
	Oliver Lodge	Deputy Catherine McGuinness (Ex-Officio Member)
	Alderman Nicholas Lyons	Simon Duckworth (Ex-Officio Member)
	Paul Martinelli	Chairman of Investment Committee TBC (Ex-Officio Member)
		Deputy Chairman of Investment Committee TBC (Ex-Officio Member)

Enquiries: John Cater
tel. no.: 020 7332 1407
john.cater@cityoflondon.gov.uk

Lunch will be served for Members in Guildhall Club at 1pm
NB: Part of this meeting could be the subject of audio video recording

John Barradell
Town Clerk and Chief Executive

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **ORDER OF THE COURT OF COMMON COUNCIL**
To receive the Order of the Court of Common Council from Thursday, 25 April 2019.
For Information
(Pages 1 - 2)
4. **ELECTION OF THE CHAIRMAN**
To elect a Chairman in accordance with Standing Order 29.
For Decision
5. **ELECTION OF THE DEPUTY CHAIRMAN**
To elect a Deputy Chairman in accordance with Standing Order 30.
For Decision
6. **MINUTES OF THE PREVIOUS MEETING**
To agree the public minutes of the meeting held on 9 April 2019.
For Decision
(Pages 3 - 8)
7. **FINANCE COMMITTEE'S FORWARD PLAN**
Report of the Chamberlain.
For Information
(Pages 9 - 10)
8. **REPORT OF THE WORK OF THE SUB-COMMITTEES**
Report of the Town Clerk.
For Information
(Pages 11 - 12)
9. **DRAFT PUBLIC MINUTES OF THE FINANCE GRANTS OVERSIGHT AND PERFORMANCE SUB-COMMITTEE HELD ON 9 APRIL 2019**
For Information
(Pages 13 - 16)
10. **APPOINTMENT OF SUB-COMMITTEES AND REPRESENTATIVES ON OTHER COMMITTEES**
Report of the Town Clerk
For Decision
(Pages 17 - 38)

11. **CAPITAL FUNDING UPDATE – BIDS FOR REPRIORITISATION AND ANNUAL BID PROCESS DETAILS**
Report of the Chamberlain.
For Decision
(Pages 39 - 52)
12. **ADDITIONAL BUDGETARY PROVISIONS - CAPITAL FUNDING -INTERIM REVISED PRIORITISATION AND PROJECT FUNDING**
Report of the Chamberlain.
For Decision
(Pages 53 - 56)
13. **CHAMBERLAIN'S DEPARTMENTAL RISK MANAGEMENT - TOP RISKS**
Report of the Chamberlain.
For Information
(Pages 57 - 58)
14. **CENTRAL CONTINGENCIES**
Report of the Chamberlain.
For Decision
(Pages 59 - 64)
15. **CHAMBERLAIN'S BUSINESS PLAN - END OF YEAR UPDATE**
Report of the Chamberlain.
For Information
(Pages 65 - 70)
16. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
17. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
18. **EXCLUSION OF THE PUBLIC**
MOTION - 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.
For Decision

Part 2 - Non-Public Agenda

19. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**
To agree the non-public minutes of the meeting held on 9 April 2019.
For Decision
(Pages 71 - 76)
20. **DRAFT NON-PUBLIC MINUTES OF THE FINANCE GRANTS OVERSIGHT AND PERFORMANCE SUB-COMMITTEE HELD ON 9 APRIL 2019**
For Information
(Pages 77 - 78)

21. **INTEREST RATES ON INTERNAL LOAN REQUESTS - UPDATE AND REVIEW**
Report of the Chamberlain.
For Decision
(Pages 79 - 84)
22. **ADMITTED BODY STATUS FOR THE SUPPLIER FOR THE GUILDHALL PLANT SERVICES TEAM**
Joint Report of the Chamberlain and the City Surveyor
For Decision
(Pages 85 - 88)
23. **BORROWING - UPDATE**
Report of the Chamberlain.
To Follow
For Decision
24. **CITY FUND & CITY'S ESTATE HIGHWAY DISPOSAL - 22 BISHOPSGATE, EC2**
Report of the City Surveyor.
For Decision
(Pages 89 - 104)
25. **NON-PUBLIC DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**
Report of the Town Clerk.
For Information
(Pages 105 - 108)
26. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
27. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

Agenda Item 3

ESTLIN, Mayor	RESOLVED: That the Court of Common Council holden in the Guildhall of the City of London on Thursday 25th April 2019, doth hereby appoint the following Committee until the first meeting of the Court in April, 2020.
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FINANCE COMMITTEE

- Constitution**
A Ward Committee consisting of,
 - four Aldermen nominated by the Court of Aldermen
 - up to 31 Commoners representing each Ward (two representatives for the Wards with six or more Members regardless of whether the Ward has sides) or Side of Ward
 - the Chairman and Deputy Chairman of the Policy & Resources Committee (ex-officio)
 - the Chairman and Deputy Chairman of the Investment Committee (ex-officio)

- Quorum**
The quorum consists of any nine Members.

- Membership 2019/20**

ALDERMEN

- 1 Nicholas Stephen Leland Lyons
- 2 Alastair John Naisbitt King
- 5 Sir Andrew Parmley
- 1 Gregory Percy Jones, Q.C.

COMMONERS

20	Jeremy Paul Mayhew	Aldersgate
7	Randall Keith Anderson.....	Aldersgate
3	Hugh Fenton Morris, Deputy.....	Aldgate
7	Robert Allan Merrett, Deputy.....	Bassishaw
7	Jamie Ingham Clark, Deputy.....	Billingsgate
1	Benjamin Murphy.....	Bishopsgate
9	Wendy Marilyn Hyde, Deputy.....	Bishopsgate
6	Oliver Arthur Wynlayne Lodge	Bread Street
3	Timothy Levene.....	Bridge and Bridge Without
11	John George Stewart Scott, J.P.....	Broad Street
5	James de Sausmarez.....	Candlewick
7	Christopher Paul Boden.....	Castle Baynard
3	Michael Hudson.....	Castle Baynard
6	Nicholas Michael Bensted-Smith, J.P.....	Cheap
1	Andrew Stratton McMurtrie, J.P.....	Coleman Street
29	Sir Michael Snyder.....	Cordwainer
9	Ian Christopher Norman Seaton.....	Cornhill
3	William Pimlott.....	Cripplegate
2	Susan Jane Pearson.....	Cripplegate
15	James Henry George Pollard, Deputy.....	Dowgate
1	Graeme Martyn Smith.....	Farringdon Within
7	Clare James, Deputy.....	Farringdon Within
7	Gregory Alfred Lawrence.....	Farringdon Without
4	Paul Nicholas Martinelli.....	Farringdon Without
7	Philip John Woodhouse, Deputy.....	Langbourn
4	Dominic Gerard Christian.....	Lime Street
6	John William Fletcher.....	Portsoken
3	Caroline Wilma Haines.....	Queenhithe
17	Roger Arthur Holden Chadwick, O.B.E., Deputy.....	Tower

1	Rehana Banu Ameer.....	Vintry
4	James Michael Douglas Thomson, Deputy.....	Walbrook

Together with the ex-officio Members referred to in paragraph 1.

4. **Terms of Reference**
To be responsible for:-

Finance

- (a) Ensuring effective arrangements are made for the proper administration of the City Corporation's financial affairs;
- (b) making recommendations to the Court of Common Council in respect of:-
 - (i) the audited accounts, the Annual Budget and to recommend the non-domestic rate and Council Tax to be levied and to present the capital programme and make recommendations as to its financing;
 - (ii) the appointment of the Chamberlain;
- (c) considering the annual budget of several committees, to ascertain that they are within the resources allocated, are applied to the policies for which those resources were allocated and represent value for money in the achievement of those policies;
- (d) determining annually with the Resource Allocation Sub-Committee, the appropriate performance return bench marks for the City's and Bridge House Estates;
- (e) obtaining value for money in all of the City of London Corporation's activities, contracts, and in the City of London Police;
- (f) monitoring performance against individual Departmental Business Plans and bringing about improvements in performance;
- (g) the effective and sustainable management of the City of London's operational assets, to help deliver strategic priorities and service needs;
- (h) overseeing the City of London Corporation's approved list of contractors and consultants;
- (i) dealing with requests for allowances, expenses, insurance, business travel, treasure trove and Trophy Tax;
- (j) providing strategic oversight and performance management of all grant giving activity by the Corporation, excluding the City Bridge Trust.
- (k) strategies and initiatives in relation to energy;

Sub-Committees

- (l) appointing such Sub-Committees as are considered necessary for the better performance of its duties including the following areas:-

Efficiency & Performance

The Efficiency & Performance Sub Committee was created in 2011 to scrutinise plans for efficiency and performance across all of the City Corporation's departments and the City of London Police. It supports officers to drive value for money in areas such as third-party contracts, budgeting and facilities/asset management, and promotes effective planning - both on a departmental basis and for the Corporation as a whole.

Finance Grants Oversight & Performance

The Finance Grants Oversight and Performance Sub Committee provides strategic oversight of the City of London Corporation's Central Grants Programme, including reviewing progress, performance, impact against outcomes, and risks for all grants.

Digital Services

The Digital Services Sub Committee recommends IT strategy and oversees implementation for both the City of London Corporation and the City of London Police to the Finance Committee. Furthermore, the Sub Committee also monitors delivery of IT internally and our contractor partners supplying the delivery of IT.

Corporate Assets

The Corporate Asset Sub Committee is responsible for the effective and sustainable management and strategic plans for the City of London Corporation's operational property portfolio; this includes the monitoring of capital projects, acquisitions and disposals, and the upkeep, maintenance and, where appropriate, furnishing for operational properties (including the Guildhall Complex). In addition, the Sub Committee is responsible for strategies, performance, and monitoring initiatives in relation to energy usage, and for monitoring and advising on bids for Heritage Lottery funding.

Procurement

The Procurement Sub Committee provides dedicated scrutiny for all City Corporation and City of London Police procurement contracts above £2m, with a view to driving value for money.

FINANCE COMMITTEE

Tuesday, 9 April 2019

Draft Minutes of the meeting of the Finance Committee held at Guildhall, EC2 on
Tuesday, 9 April 2019 at 1.45 pm

Present

Members:

Jeremy Mayhew (Chairman)
Deputy Jamie Ingham Clark (Deputy
Chairman)
Randall Anderson
Nicholas Bensted-Smith
Dominic Christian
Simon Duckworth
John Fletcher
Deputy Tom Hoffman (Chief Commoner)
Alderman Robert Howard
Michael Hudson

Deputy Wendy Hyde
Alderman Alastair King
Oliver Lodge
Deputy Robert Merrett
Susan Pearson
Ian Seaton
Sir Michael Snyder
Deputy James Thomson
Deputy Philip Woodhouse
Deputy Catherine McGuinness (Ex-Officio
Member)

Officers:

John Cater	- Town Clerk's Department
Peter Kane	- Chamberlain
Jon Averbs	- Markets & Consumer Protection Department
Caroline Al-Beyerty	- Chamberlain's Department
Simon Latham	- Town Clerk's Department
Christopher Bell	- Chamberlain's Department
Philip Gregory	- Chamberlain's Department
Nicholas Gill	- City Surveyor's Department
Peter Young	- City Surveyor's Department
Alistair Sutherland	- Assistant Commissioner, City of London Police
Sean Green	- Chamberlain's Department

1. APOLOGIES

Apologies for absence were received from Deputy Kevin Everett, Christopher Hayward, Christopher Hill, Deputy Clare James, Gregory Lawrence, Tim Levene, Paul Martinelli, Deputy Hugh Morris and Deputy Henry Pollard.

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

Jeremy Mayhew declared a non-pecuniary interest in respect of item 21 due to him being a Member of the Board of the London Chamber of Commerce and Industry.

Ian Seaton declared a pecuniary interest in respect of item 21 due to him being a Member of the Little Ship Club.

Robert Merrett declared a non-pecuniary interest in respect of item 21 due to him being a Member of the Youth Hostel Association.

3. **MINUTES OF THE PREVIOUS MEETING**

RESOLVED – That the public minutes of the meeting held on 19th February 2019 be approved as an accurate record.

4. **FINANCE COMMITTEE'S FORWARD PLAN**

The Committee received a Report of the Chamberlain concerning the reporting schedule for May 2019 – March 2020.

RESOLVED – that the Committee noted the Report

5. **REPORT OF THE WORK OF THE SUB-COMMITTEES**

The Committee received a report of the Town Clerk which advised Members of the key discussions which had taken place during recent meetings of the Committee's Sub-Committees.

Procurement Sub-Committee – 3rd April 2019

The Deputy Chairman of the Sub-Committee informed Members of the following points:

City Procurement currently has no RED and four AMBER risks including:

CHB CP001 – Brexit risk to City Corporation procurement and supply chains

CHB CP005 – Impact on procurement resources

CHB CP004 –Uptake of the City Accelerate programme has been lower than projected, with a consequent impact on income levels

CHB CP003 – VAT loss through use of Purchase Cards

On the fourth risk, City Procurement have long monitored VAT recovery as part of its duties administering purchase cards (P-cards). Monitoring is also part of each Chief Officer's quarterly P-card report of which results are reported to Procurement Sub Committee. A recent update report showed an average of £64,000 worth of VAT being lost each quarter.

Despite the overall downward trend, a Member expressed concern that too many officers were still not taking their responsibilities seriously; £64,000 was a considerable amount of money and over the course of the year equated to the average price of a UK house.

Another Member proposed that he would table a question to the Department of Community and Children's Services (DCCS) about the level of officer P-Card compliance at the next meeting of the CCS Committee and encouraged other Members to ask the lead departments, at their respective grand Committees, the same question over the coming weeks.

The Chairman of the Finance Committee reinforced the Deputy Chairman of Procurement's call that Members would be four-square behind City Procurement in their efforts to raise compliance and drive down lost revenues. The Commercial Director responded that City Procurement would continue to take the institutional lead and encourage best practice, but ultimately it was down to line managers to take responsibility. There was no "silver bullet", as withdrawing P-Cards entirely and asking Procurement to manage the process would necessitate a material uplift in extra staff to manage the administration involved.

Corporate Asset Sub-Committee – 4th April 2019

The Chairman of the Sub-Committee informed Members of the following points:

It was noted that the award of the new lift and escalator contract was expected to be concluded shortly.

A Member raised concerns at recent access problems caused by new security fobs around the Guildhall complex.

It was noted that the first meeting of the local FM and Security Network had attracted a number of local businesses and that it was intended to expand the network.

Digital Services Sub-Committee – 5th April 2019

The Chairman of the Sub-Committee informed Members of the following point:

February saw the deployment of the Microsoft Teams platform across the City Corporation; this was now in use by over 600 staff. Adoption levels for SharePoint and Skype for Business continue to increase month on month. Work has started to upgrade the Audio Visual (AV) equipment and install Skype Room systems in the Chief Officer's rooms, the Corporate meeting rooms, and the Committee rooms.

The Chairman of the Finance Committee expressed his considerable gratitude for the sterling work of Nick Bensted Smith and Simon Duckworth over the past several years. Mr Bensted Smith and Mr Duckworth will be standing down as Chairmen of the Corporate Asset Sub Committee and the Finance Grants Oversight and Performance Sub-Committee, respectively, later this month.

RESOLVED – That the Committee notes the report.

6. **FINANCE COMMITTEE - RISK UPDATE**

The Committee received a report of the Chamberlain which provided updates regarding the top risks within the Departmental Risk Register.

The Chairman stressed that the £4.2m available in the Security Priority Investment Pot (PIP) was available both for deficit reduction and new demands. Bids had to include a robust business plan and the pot was not the exclusive preserve of the Police i.e. others across the Corporation involved in security could submit a bid. A Member, also Deputy Chairman of the Police Committee,

remarked that the Police, with the help of the Chamberlain's department and others across the Corporation, were working hard to bring down its deficit and the Transformation programme was seeking further efficiencies over the longer term. He added that the Police were currently running with 80 vacancies. The emerging risk threats were acute and would, inevitably, draw on resources. The Chairman responded that, although he was sympathetic to the needs of the Police; in the first instance, it had to prioritise within its budget. It was essential that financial rigour and controls should be delivered over the coming months. He stressed, however, that this did not preclude the Police making fresh robust bids against the Security PIP.

Separately, the Deputy Chairman asked officers to amend the wording on the Brexit risk (CHB FS005), to reflect the uncertain time-lines for Brexit. It would be more realistic to push the target date out to later in 2019.

RESOLVED – That the Committee notes the report.

7. CENTRAL CONTINGENCIES

The Committee considered a report of the Chamberlain which provided Members with information regarding the current balance of the Finance Committee Contingency Funds for the current year.

A Member raised a query about what the £185,000 referred to on page 30. The Chairman responded that, given the sensitivities with that item, an explanation should be given in non-public AOB.

In response to a query concerning the Corporation's match-funding policy with the Mercers' company, officers confirmed that a review was taking place about Gresham funding and a Report would be coming to Committees later in 2019.

RESOLVED – That the Committee notes the report.

8. FINANCIAL SERVICES DIVISION QUARTERLY UPDATE

The Committee received a Report of the Chamberlain concerning the financial services division.

RESOLVED – that the Committee noted the Report.

9. DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES

The Committee considered a report of the Town Clerk which provided information of the action taken by the Town Clerk since the last meeting of the Committee, in consultation with the Chairman and Deputy Chairman, in accordance with Standing Orders 41(a) and 41(b). The decisions related to the annual budget submission and a donation of £30,000 to the Disaster Emergency Committee related to their Cyclone Idai appeal.

RESOLVED – That the Committee notes the report.

10. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
There were no questions.
11. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
There were no urgent items.
12. **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.
13. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**
The non-public minutes of the meeting held on 19th February 2019 were approved as an accurate record.
14. **REPORT OF THE WORK OF THE SUB-COMMITTEES - NON-PUBLIC ISSUES**
The Committee noted a report of the Town Clerk which advised Members of the key discussions which had taken place during non-public session at recent meetings of the Committee's Sub-Committees.
15. **ASSET MANAGEMENT SERVICE BASED REVIEW - RECOMMENDATIONS**
The Committee considered a Report of the City Surveyor concerning the Asset Management Service Based Review.
16. **CITY OF LONDON POLICE AND RAIL DELIVERY GROUP STAGE 2 CONTRACT AWARD**
The Committee considered a Report of the Commissioner of the City of London Police concerning the contract award for the Police's Rail Travel Scheme.
17. **CITY OF LONDON SCHOOL'S - APPLICATION TO THE CITY FOR A LOAN TO FUND THE SCHOOL'S MASTERPLAN**
This item was deferred.
18. **LONDON GATEWAY - NEW OFFICE ACCOMMODATION**
The Committee considered a Report of the Interim Director of Consumer Protection and Markets Operations.
19. **BRIDGE HOUSE ESTATES, ELECTRA HOUSE, 72-92 MOORGATE - SURRENDER OF LEASE AND NEW LETTING**
The Committee considered a Report of the City Surveyor concerning Electra House, 72-92 Moorgate.
20. **PAY AWARD AT THE MUSEUM OF LONDON**
The Committee considered a Report of the Director of the Museum of London concerning the annual pay award for the Museum of London.

21. **NON-DOMESTIC RATES - REVIEW OF DISCRETIONARY RATE RELIEF**

The Committee considered a Report of the Chamberlain concerning non-domestic rates.

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

The Committee considered a report of the Town Clerk which provided information of the non-public actions taken by the Town Clerk since the last meeting of the Committee, in consultation with the Chairman and Deputy Chairman, in accordance with Standing Orders 41(a) and 41(b).

23. **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.

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

The Committee considered an item of urgent business relating to ITEM 7.

The meeting ended at 3.45 pm

Chairman

Contact Officer: John Cater
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john.cater@cityoflondon.gov.uk

Finance Committee – Work Programme 2019 and 2020

Meeting:	May	June	July	August	September	October	November	December	January	Feb	March
									Provisional Financial settlement for Local Government and Police	City Fund Budget Report and Medium-Term Financial Strategy	
			Provisional Outturn Report Q1 Quarterly Monitoring Report		Capital Outturn Report		Q2 Quarterly Monitoring Report		Q3 Quarterly Budget monitoring		
		Draft City Fund and Pension Fund Statement of Accounts			City Fund and Pension Fund – Audit Completion Report		City's Cash Financial Statements City's Cash Trust Funds and Sundry Trust Funds Annual Reports and Financial Statements				
	Business Plan End of Year Update				Finance Committee Revenue Outturn		Risk Management Review				

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Committee: Finance Committee	Date: 21 May 2019
Subject: Public Report of the work of the Sub-Committees	Public
Report of: Town Clerk	For Information
Report author: John Cater, Town Clerk's Department	

Summary

On 19 July 2016, the Finance Committee agreed that, in addition to draft minutes of Sub-Committee meetings, short reports be provided to advise the Committee of the main issues considered by the Sub-Committees at recent meetings. This report sets out some of the main public issues considered by the following Sub Committees since 9th April 2019:

Finance Grants Oversight and Performance Sub Committee – 9th April 2018

4.CENTRAL GRANTS PROGRAMME (CGP) - UPDATE AND NEXT STEPS REPORT

Members received a report of the Chief Grants Officer and Director of City Bridge Trust relative to an update on the Central Grants Programme (CGP).

The Comptroller & City Solicitor provided an oral update on the rationalisation of City Corporation associated charities, informing Members that the Corporation of London Benevolent Association had now been removed from the register of charities and that its funds have been transferred, subject to conditions, to the Combined Relief of Poverty Charity and that work was ongoing to update the Combined Relief of Poverty Charity's eligibility criteria to reflect this. Members requested that future reference to the Combined Relief of Poverty Charity should indicate that this charity incorporates the former Corporation of London Benevolent Association as this is where the additional funds come from.

Members expressed a preference that funds be awarded to smaller charities, with queries to be referred to the Chairman and Deputy Chairman for informal consultation. Members also requested brief conclusions on applicants who had fallen through the cracks.

Recommendations

The Committee is asked to note the report.

John Cater

Senior Committee Services Officer, Town Clerk's Department
john.cater@cityoflondon.gov.uk

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DRAFT FINANCE GRANTS OVERSIGHT AND PERFORMANCE SUB COMMITTEE

Tuesday, 9 April 2019

Minutes of the meeting of the Finance Grants Oversight and Performance Sub Committee held at Committee Rooms 3 & 4 - 2nd Floor, West Wing, Guildhall on Tuesday, 9 April 2019 at 3.45 pm

Present

Members:

Simon Duckworth (Chairman)
Deputy Philip Woodhouse (Deputy Chairman)
Nicholas Bensted-Smith
Deputy Jamie Ingham Clark
Jeremy Mayhew
Mark Wheatley

Officers:

Chloe Rew
David Farnsworth

Lily Brandhorst
Jack Joslin
Ciaran Rafferty
Karen Atkinson
Anne Pietsch
Emily Rimington

- Town Clerk's Department
- Chief Grants Officer & Director of City Bridge Trust, Town Clerk's Department
- Town Clerk's Department
- Town Clerk's Department
- Town Clerk's Department
- Chamberlain's Department
- Comptroller & City Solicitor's
- Comptroller & City Solicitor's

1. APOLOGIES

Apologies were received from Oliver Lodge.

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

There were no declarations.

3. MINUTES

RESOLVED – That the public minutes and summary of the meeting held on 13 November 2018 be approved as a correct record.

4. CENTRAL GRANTS PROGRAMME (CGP) - UPDATE AND NEXT STEPS REPORT

Members received a report of the Chief Grants Officer and Director of City Bridge Trust relative to an update on the Central Grants Programme (CGP).

The Comptroller & City Solicitor provided an oral update on the rationalisation of City Corporation associated charities, informing Members that the

Corporation of London Benevolent Association had now been removed from the register of charities and that its funds have been transferred, subject to conditions, to the Combined Relief of Poverty Charity and that work was ongoing to update the Combined Relief of Poverty Charity's eligibility criteria to reflect this. Members requested that future reference to the Combined Relief of Poverty Charity should indicate that this charity incorporates the former Corporation of London Benevolent Association as this is where the additional funds come from.

Members expressed a preference that funds be awarded to smaller charities, with queries to be referred to the Chairman and Deputy Chairman for informal consultation. Members also requested brief conclusions on applicants who had fallen through the cracks.

RESOLVED – That the report be received and its contents noted.

5. COMMUNITY INFRASTRUCTURE LEVY (CIL) NEIGHBOURHOOD FUND

Members received a report of the Chief Grants Officer relative to the Community Infrastructure Levy (CIL) Neighbourhood Fund and its proposed management by the Central Grants Unit (CGU).

The Fund currently has £4.7 million and is projected to receive approximately £1 million income per year. The Chairman requested these figures be reconfirmed with the Chamberlain and Comptroller & City Solicitor.

The Comptroller & City Solicitor noted that Members may find it helpful to clarify this sub committee's relationship with the relevant service committees and sub committees in respect of the oversight and performance of the CGU's proposed administration of the CIL Neighbourhood Fund and other charities where those funds do not form part of the Central Grants Programme (CGP) which are under the oversight and remit of the sub-committee. It was noted that as the work of the CGU expands beyond the CGP that Members may wish to review the sub-committee's Terms of Reference as appropriate.

RESOLVED – That the report be received and its contents noted.

6. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE

There were no other questions.

7. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

Members expressed their thanks to the Chairman for his three years of service as Subcommittee Chairman.

8. **EXCLUSION OF THE PUBLIC**

RESOLVED – That under Section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business 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.	Para No.
9	3

9. **NON-PUBLIC MINUTES**

RESOLVED – That the non-public minutes and summary of the meeting held on 13 November 2018 be approved as a correct record.

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

There were no questions.

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

There was no other business.

The meeting ended at 3.55 pm

Chairman

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Committees:	Date:
Finance Committee	21 May 2019
Subject: Appointment of Sub-Committees and representatives on other Committees	Public
Report of: Town Clerk	For Decision
Report author: John Cater, Town Clerk's Department	

Summary

The purpose of this report is to consider the appointment of the Committee's Sub-Committees for 2019/20, to approve their composition and Terms of Reference and to appoint representatives to a number of other City Corporation positions.

The Finance Committee currently appoints to five Sub-Committees:

- Corporate Asset Sub-Committee
- Digital Services Sub-Committee
- Efficiency & Performance Sub-Committee
- Finance Grants Oversight and Performance Sub-Committee
- Procurement Sub-Committee

In addition to the appointment of Members to its own Sub-Committees, the Committee also has the opportunity to make appointments to other Grand Committees and Sub-Committees. These are:

- Establishment Committee (1 Member)
- Barbican Centre Board (1 Member)
- Projects Sub (Policy & Resources) Committee (2 Members)
- Courts Sub (Policy & Resources) Committee (1 Member)
- Streets and Walkways Sub (Planning & Transportation) Committee (1 Member)

Recommendations

Members are asked to:

- a) Agree the composition and Terms of Reference of the following Sub-Committees as set out in Appendix A;
 - i. Corporate Asset Sub-Committee
 - ii. Digital Services Sub-Committee
 - iii. Efficiency & Performance Sub-Committee
 - iv. Finance Grants Oversight and Performance Sub-Committee
 - v. Procurement Sub-Committee
- b) Agree that the Chairman and Deputy Chairman of the Grand Committee are appointed to the following Sub-Committees:
 - i. Corporate Asset Sub-Committee
 - ii. Digital Services Sub-Committee

- iii. Efficiency & Performance Sub-Committee
 - iv. Finance Grants Oversight and Performance Sub-Committee
 - v. Procurement Sub-Committee
- c) Agree the appointment of the Chairman and Deputy Chairman of each of the following Sub-Committees:
- i. Corporate Asset Sub-Committee
 - ii. Digital Services Sub-Committee
 - iii. Efficiency & Performance Sub-Committee
 - iv. Finance Grants Oversight and Performance Sub-Committee
 - v. Procurement Sub-Committee
- d) Notes the appointment of the following members of other Committees to Sub-Committees:
- i. Corporate Asset Sub-Committee – up to three Members each of the Policy and Resources Committee and of the Property Investment Board
 - ii. Digital Services Sub-Committee – one Member of the Police Committee, as the Special Interest Area holder for IT.
- e) agree the appointment of Members to the following Sub-Committees, between the following minimum and maximum total number of Members including, the Chairman and Deputy Chairman of the Grand Committee and those Members appointed as Chairmen or Deputy Chairmen for CASC, Digital Services, Finance Grants and Procurement Subs:
- i. Corporate Asset Sub-Committee – **a minimum of four and maximum of nine total Members of the Finance Committee**
 - ii. Digital Services Sub-Committee – **a minimum of 10 and maximum of 12 Members, drawn from the Finance Committee and Court of Common Council**
 - iii. Efficiency & Performance Sub-Committee – **a minimum of nine and maximum of 13 total Members of the Finance Committee**
 - iv. Finance Grants Oversight and Performance Sub-Committee – **a minimum of nine and a maximum of 13 total Members of the Finance Committee**
 - v. Procurement Sub-Committee – **a minimum of nine and a maximum of 12 total Members of the Finance Committee**
- f) agree the appointments of representatives to the following Committees and Sub-Committees:
- Establishment Committee - **1 vacancy**
 - Barbican Centre Board - **1 vacancy**
 - Projects Sub (Policy & Resources) Committee - **2 vacancies**
 - Courts Sub (Policy & Resources) Committee - **1 vacancy**
 - Streets and Walkways Sub (Planning & Transportation) Committee - **1 vacancy**
- g) agree the appointments of representatives for informal consultation with the Court of Aldermen and the Policy and Resources Committee on Mayoralty and Shrievalty Allowances (allocation typically includes the Chairman and the Deputy Chairman of the Finance Committee) – **3 vacancies**

- h) note that the Chairman and Deputy Chairman of the Finance Committee will be Members of the Resource Allocation Sub (Policy and Resources) Committee.
- i) note that the Chairman and Deputy Chairman will be ex-officio Members of the following Committees:
 - Policy & Resources Committee
 - Investment Committee
 - Audit and Risk Management Committee
 - Hospitality Working Party (Policy and Resources)
- j) Note that the Chairman (or his nominee) will be an ex-officio Member of the following Committees:
 - Social Investment Board
 - Public Relations and Economic Development Sub (Policy and Resources) Committee
- k) agree that the Committee should continue to meet “every fourth week on Tuesdays” with the exception of recess periods.

Main Report

Background

1. This report asks Members to consider the appointment and composition of the Finance Committee’s Sub-Committees. It also details the representatives that the Committee is requested to appoint to serve on other City Corporation Committees or in other positions.
2. As set out in its Terms of Reference, there are a number of areas of the Finance Committee’s work which require greater focus and therefore the following Sub-Committees have been created to manage those areas:
 - Corporate Assets;
 - Digital Services;
 - Efficiency & Performance;
 - Finance Grants Oversight and Performance; and
 - Procurement
3. Each of these Sub-Committees is considered in turn below. Details of their proposed composition and Terms of Reference are set out in Appendix 1 of this report.

Finance Committee Sub-Committee appointments

(A) Corporate Asset Sub-Committee

4. Composition:
 - Chairman and Deputy Chairman of the Finance Committee
 - Chairman and Deputy Chairman of the Sub-Committee

- A maximum of **Five** additional Finance Committee Members
- Three members of the Policy and Resources Committee
- Three members of the Property Investment Board.

Should any vacancies remain following the first meeting of each of these Committees, these vacancies will be made available to all Members to the Court of Common Council, to be appointed by the Finance Committee at its next meeting.

5. The Sub-Committee is working well, and it is suggested that it continues to be scheduled to meet six times per year.
6. The Sub-Committee met six times in 2018/19. Membership and attendance from Finance Committee representatives was as follows:

Finance Committee Representatives

Nick Bensted-Smith (Chairman of the Sub-Committee)	6/6
Dominic Christian (Deputy Chairman of the Sub-Committee)	4/6
Randall Anderson	6/6
Michael Hudson	5/6
Wendy Hyde	5/6
Jamie Ingham Clark	4/6
Jeremy Mayhew	6/6
Philip Woodhouse	1/6

Policy & Resources Committee Representatives

Marianne Fredericks	4/6
Joyce Nash	1/6*
Jeremy Simons	3/6

Property Investment Board Representatives

John Chapman	2/6**
Alderman Gowman	3/6
Christopher Hayward	0/6**

*Joyce Nash withdrew from the Sub-Committee in October 2018.

**John Chapman and Christopher Hayward joined the Sub-Committee on 7th November

(B) Digital Services Sub-Committee

7. Composition:
 - Chairman and Deputy Chairman of the Finance Committee
 - Chairman and Deputy Chairman of the Digital Services Sub-Committee
 - A member of the Police Committee (holder of the Special Interest Area for IT)
 - A maximum of **11** additional Members; these Members are comprised of Members of Finance Committee and Members of the Court of Common Council, all appointed by the Finance Committee.
8. The Sub-Committee is working well, and it is suggested that it continues to be scheduled to meet six times per year. These meetings may be supplemented

by informal workshop meetings, to allow those Members who wish to provide their technical expertise from within the IT industry to assist officers in developing proposals to be brought before the Sub-Committee. To note, during the course of the year, the name of the Sub-Committee changed from the Information Technology Sub-Committee to the Digital Services Sub-Committee.

9. The Sub-Committee met five times in 2018/19. The membership and attendance were as follows:

<u>Finance Committee Representatives</u>	
Jamie Ingham Clark (Chairman)	5/5
Randall Anderson (Deputy Chairman)	5/5
Tim Levene	3/5
Jeremy Mayhew	5/5
Robert Merrett	1/5^
Hugh Morris	1/5
Alderman Sir Andrew Parmley	1/5
<u>Court of Common Council Representatives</u>	
Rehana Ameer	2/5#
John Chapman	5/5
Sylvia Moys	5/5
James Tumbridge	3/5
<u>Police Committee representative</u>	
Keith Bottomley	4/5

^Robert Merrett withdrew from the Sub-Committee in August 2018

#Appointed after the May meeting of the Sub-Committee

(C) Efficiency and Performance Sub-Committee

10. Composition
 - Chairman and Deputy Chairman of the Finance Committee (who also serve as the Chairman and Deputy Chairman of the E&P Sub-Committee)
 - A maximum of **11** additional Members; these Members are drawn from the Finance Committee.
11. The Sub-Committee is working well, and it is proposed that it should continue to meet under its present arrangements, with meetings scheduled to take place six times per year.
12. The Sub-Committee met seven times in 2018/19 and the membership and attendance were as follows:

Jeremy Mayhew (Chairman)	7/7
Jamie Ingham Clark (Deputy Chairman)	6/7
Randall Anderson	7/7
Christopher Hill	1/6#
Alderman Robert Howard	4/7
Paul Martinelli	5/7

Hugh Morris	4/7
Philip Woodhouse	4/7

#Appointed in January 2019

(D) Finance Grants Oversight and Performance Sub-Committee

13. The Sub-Committee is working well, and it is suggested that it continues to be scheduled to meet three times per year.
14. The Sub-Committee met twice in 2018/19 and the membership and attendance were as follows.

Simon Duckworth (Chairman)	2/2
Philip Woodhouse (Deputy Chairman)	2/2
Nicholas Bensted-Smith JP	2/2
Jamie Ingham Clark	2/2
Oliver Lodge	1/2
Jeremy Mayhew	2/2
Mark Wheatley	2/2

(E) Procurement Sub-Committee

15. The Sub-Committee is working well, and it is suggested that it continues to be scheduled to meet monthly, with the understanding that meetings can be cancelled at short notice due to limited business.
16. The Sub-Committee was formally established in June 2018 and has since met on five occasions. Membership and attendance were as follows.

Hugh Morris (Chairman)	4/5
Robert Merrett (Deputy Chairman)	5/5
Randall Anderson	4/5
John Fletcher	4/5
Michael Hudson	5/5
Jamie Ingham Clark	5/5
Clare James	1/5
Jeremy Mayhew	5/5
Susan Pearson	5/5

Representatives on other Committees etc.

(F) One representative to serve on the Establishment Committee

The Committee met eight times in 2018/19 and the representative was Deputy Jamie Ingham Clark. Deputy Ingham Clark attended all eight meetings. Deputy Ingham Clark also served on the Joint Consultative Committee, which met twice, with Deputy Ingham Clark attending both meetings.

(G) One representative to serve on the Barbican Centre Board

Deputy Wendy Hyde was appointed to the Barbican Centre Board in 2018/19. The Barbican Centre Board met six times and Deputy Hyde attended all of the meetings.

(H) Two Representatives to serve on the Projects Sub (Policy & Resources) Committee

The Sub-Committee met 11 times in 2018/19 and the representatives were Randall Anderson and Nick Bensted-Smith.

Randall Anderson	11/11
Nick Bensted Smith	5/11

(I) One representative on the Streets and Walkways Sub (Planning & Transportation) Committee

The Sub-Committee met eight times in 2018/19 and the representative was Paul Martinelli. Mr Martinelli attended seven meetings.

(J) One representative on the Courts Sub-Committee

The Sub-Committee met three times in 2018/19 and the representative was Nick Bensted Smith. Mr Bensted Smith attended two meetings

(K) Representatives for Consultation with the Court of Aldermen and Representatives of the Policy & Resources Committee on Mayoralty and Shrievalty Allowances

This deputation is responsible for giving detailed consideration to the allowance for expenses for the offices of the Lord Mayor and the Sheriffs for the coming year. In 2018/19, the Committee's representatives were the Chairman, the Deputy Chairman and Nick Bensted Smith. This Committee met twice in 2018/19.

Jeremy Mayhew	2/2
Jamie Ingham Clark	2/2
Nick Bensted Smith	0/2

(L) Membership on other Committees

The Committee is asked to note that the Chairman and Deputy Chairman of the Finance Committee are appointed as Members of the following Committees:

- Resource Allocation Sub (Policy and Resources) Committee

(M) Ex-officio representation on other Committees

The Committee is asked to note that the Chairman and Deputy Chairman of the Finance Committee are ex-officio Members of the following Committees:

- Policy & Resources Committee
- Investment Committee
- Audit & Risk Management Committee
- Hospitality Working Party (Policy and Resources)

In addition, the Chairman (or his nominee) will be an ex-officio Member of the following Committees:

- Social Investment Board
- Public Relations and Economic Development Sub (Policy and Resources) Committee

Frequency of meetings

17. The Committee is also required to review the frequency of its meetings on an annual basis. Conventionally, the Committee meets every fourth week on Tuesdays with the exception of recess. Given the amount of business the Committee considers, it is proposed that this schedule continues, although meetings will be cancelled in the event that there is not sufficient business to transact. Agenda planning will highlight the instances of this at the earliest opportunity.

Appendices

- Appendix 1 – Finance Committee Sub-Committees – Composition and Terms of Reference

John Cater

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Corporate Asset Sub-Committee Terms of Reference

The Corporate Asset Sub Committee is responsible for the effective and sustainable management and strategic plans for the City of London Corporation's operational property portfolio; this includes the monitoring of capital projects, acquisitions and disposals, and the upkeep, maintenance and, where appropriate, furnishing for operational properties (including the Guildhall Complex). In addition, the Sub Committee is responsible for strategies, performance, and monitoring initiatives in relation to energy usage, and for monitoring and advising on bids for Heritage Lottery funding.

Composition

- Chairman and Deputy Chairman of the Finance Committee
- Chairman and Deputy Chairman of the Sub-Committee
- A maximum of Five additional Finance Committee Members
- Three members of the Policy and Resources Committee
- Three members of the Property Investment Board.

(Should any vacancies remain following the first meeting of each of these Committees, these will be made available to all Members to the Court of Common Council, to be appointed by the Finance Committee)

Chairmanship

- Chairman – To be nominated by the Chairman of the Finance Committee for approval by the Finance Committee.
- Deputy Chairman – To be appointed by the Chairman of the Sub-Committee for approval by the Finance Committee.

Terms of Reference

- To be responsible for the effective and sustainable management of the City of London Corporation's operational property portfolio, to help deliver strategic priorities and service needs, including;
 - agreeing the Corporate Asset Management Strategy;
 - responsibility for reviewing and providing strategic oversight of the Corporation's Asset Management practices and activities and advising Service Committees accordingly;
 - responsibility for reviewing and providing strategic oversight of the Corporation's Facilities Management practices and activities and advising Service Committees accordingly;
 - To maintain a comprehensive Property Database and Asset Register of information which can be used in the decision making process;
 - In line with Standing Orders 53 (Asset Management Plans) and 55 (Disposal of Surplus Properties) and the duties set out within legislation, including the Localism Act 2011 and the Housing and Planning Act 2016, to monitor the effective and efficient use of all operational property assets; and
 - Oversight of the management of operational leases with third parties, occupation by suppliers and those granted accommodation as benefits-in-kind.
 - In accordance with Standing Orders 56 and 57, the sub Committee can make disposals of properties which are not suitable to be retained as investment property assets

- To be responsible for the upkeep, maintenance and, where appropriate, furnishing for operational properties (including the Guildhall Complex) which do not fall within the remit of another Service Committee;
- To monitor major capital projects relating to operational assets to provide assurance about value for money, accordance with service needs and compliance with strategic plans;
- To recommend to the joint meeting of the Resource Allocation Sub-Committee and the Efficiency and Performance Sub-Committee the annual programme of repairs and maintenance works (including surveys, conservation management plans, hydrology assessments and heritage landscapes) planned to commence the following financial year, and to monitor progress in these works (when not included within the Project procedure).
- To be responsible for strategies, performance and monitoring initiatives in relation to energy;
- To monitor and advise on bids for Heritage Lottery funding.

From Standing Orders

PART 9 – Property

53. Corporate Plans and Strategies

1. The City of London Corporation shall develop and adopt corporate plans and strategies for the management and investment of its property assets as follows:-

a. Corporate Asset Management Plans which shall be subject to annual review by the Corporate Asset Sub-Committee and approval by the Policy & Resources Committee;

b. Investment Property Strategies which shall be subject to annual reports and regular review (not less than every three years) by the Property Investment Board, Finance and Policy & Resources Committees.

2. The corporate plans and strategies referred to in Standing Order Number 53 (1) shall be based on assumption that all property transactions are on open market terms.

3. All property transactions shall be made in accordance with the corporate plans and strategies referred to in Standing Order Number 53 (1).

4. Any proposed property transactions, including transactions which together form part of a series of transactions, that are not in accordance with the corporate plans and strategies referred to in Standing Order Number 53 (1) or are not based on open market terms shall be subject to the approval of,

a. the originating Committee and the Finance Committee;

b. the Court of Common Council if required by the parameters set out in Standing Orders Numbers 54, 56 (2), 57 (1)(b), 57 (2) and 58 (3).

54. Acquisitions

1. For the purpose of this Standing Order, the following definitions shall apply:-

investment property assets -	properties within the remit of the Property Investment Board that are managed by City Surveyor as investments yielding Capital and/or revenue returns.
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operational property assets -	properties within the day to day control of committees that are held primarily for the provision of operational services by or on behalf of the City of London.
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2. Acquisitions of interests in investment property assets shall follow the City's agreed Investment Property Acquisition Procedure and require the following approvals:-

City Fund:-	
Total Acquisition Costs	Approval by
Less than £5,000,000	Property Investment Board and Finance Committee
£5,000,000 and above	Property Investment Board, Finance Committee and Court of Common Council

City's Cash and Bridge House Estates:-	
Total Acquisition Costs	Approval by
Less than £5,000,000 (subject to funding being available in the relevant Designated Sales Pool)*	Property Investment Board and Finance Committee
£5,000,000 and above	Property Investment Board, Finance Committee and Court of Common Council

**If funding is not available in the relevant Designated Sales Pool the authority of the Court of Common Council shall also be required.*

3. Acquisitions of interests in operational property assets shall require the following approvals:-

Total Acquisition Costs	Approval by
Less than £2,500,000	Spending and Finance Committees
£2,500,000 and above	Spending and Finance Committees and Court of Common Council

55. Identification of Property Assets Surplus to Departmental Requirements

1. Committees are required to consider the effective and efficient use of all operational property assets. This will be monitored by the Corporate Asset Sub-Committee.

2. Where assets are no longer required, in whole or in part, for the provision of operational services for which they are currently held, a report on the circumstances must be made to the Corporate Asset Sub-Committee. This does not apply where lettings are an integral part of the service e.g. market or housing tenancies.

56. Freehold Disposals

1. Disposals of freeholds subject to 2000 year leases and of former freehold highway land shall be subject to the approval of the Property Investment Board (investment property assets) or the Finance Committee (for non-investment property assets).

2. All other freehold disposals shall require the following approvals:-

Anticipated Receipt		Approval By	
<i>Investment Property Asset</i>		<i>Non-Investment Property Asset</i>	
Less than £500,000	Property Investment Board	Finance Committee*	
£500,000 to less than £5,000,000	Property Investment Board and Finance Committee	Finance Committee	
£5,000,000 and above	Property Investment Board, Finance Committee and Court of Common Council	Corporate Asset Sub-Committee, Finance Committee and Court of Common Council	

**Or a Sub-Committee of the Finance Committee, if so delegated*

57. Leasehold Disposals/Surrenders

1. All lettings shall be subject to the following:-

a. lettings for a period of 25 years or less, including lease renewals and the grant of easements, wayleaves and similar arrangements as well as all rent reviews, shall be solely subject to the approval of the Committee having control of such property or any properly authorised Officer:-

b. the grant of any lease at less than full rack rental value for a period of 175 years or less (including optional extensions of term) shall require the approval of the Property Investment Board (*investment property assets*) or the Finance Committee (*for non-investment property assets*), any premium being subject to the approval of the following Committees:-

Anticipated Premium Receipt (1)		Approval By	
<i>Investment Property Asset</i>		<i>Non-Investment Property Asset</i>	
Less than £1,000,000	Property Investment Board	Finance Committee*	
£1,000,000 to less than £5,000,000	Property Investment Board and Finance Committee	Finance Committee	
£5,000,000 and above	Property Investment Board, Finance Committee and Court of Common Council	Corporate Asset Sub-Committee, Finance Committee and Court of Common Council	

**Or a Sub-Committee of the Finance Committee, if so delegated*

(1) For the purpose of these Standing Orders 'receipt' means receipt by the City of London Corporation.

58. Variations

1. Minor variations (i.e. those which do not affect the open market value of the property) to the terms of ground lease restructurings, disposals, acquisitions and other transactions, or to leases being taken by the City of London Corporation as tenant, and where the variations are necessary to complete the transaction expediently shall be subject solely to the approval of the Committee having control of such property or any properly authorised Officer.

2. Any variation to the terms of an existing lease, tenancy, licence or other agreement relating to property which either,

a. does not affect the value of the income from such lease or tenancy by more than plus or minus 10%; or,

b. involves a premium receipt of no less than £100,000;

shall be subject to the approval of the Committee having control of such property.

3. All other variations shall require the additional approval of the Finance Committee unless the premium receipt is £5,000,000 or above in which case the authority of the Court of Common Council shall also be required.

59. Disposals Subject to Planning Agreements

When land held by the City of London Corporation as freeholder is approved for the redevelopment subject to a planning agreement under Section 106 of the Town & Country Planning Act 1990, the following shall be solely subject to the approval of the Committee having control of such property or any properly authorised Officer:-

a. the inclusion of a condition within any disposal that the freeholder or lease holder must adhere to the terms of the planning agreement; and,

b. consenting to the City Corporation's land being bound by the planning obligations in the planning agreement.

Digital Services Sub-Committee (DSSC) Terms of Reference

The DSSC recommends Digital Services and Information Management strategy for both the City of London Corporation and the City of London Police to the Finance Committee. Furthermore, the Sub Committee also oversees the implementation of said strategy. The delivery of digital services internally by both officers and our contractor partners is also within the remit of the DSSC. ***It also has the additional responsibilities of overseeing IT Security practices and compliance and the Data Protection compliance (all media including paper).***

Composition

- Between 10 and 12 Members, made up of:
 - Chairman of the Finance Committee
 - Deputy Chairman of the Finance Committee
 - Members of the Finance Committee, appointed by the Finance Committee.
 - Members of the Court of Common Council, appointed by the Finance Committee. (It is not necessary for there to be a balance between the number of Finance Committee representatives and Court of Common Council Representatives
- One Member appointed by the Police Committee as a Special Interest Area holder.

Chairmanship

- Chairman – To be nominated by the Chairman of the Finance Committee for approval by the Finance Committee.
- Deputy Chairman – To be appointed by the Chairman of the Sub-Committee for approval by the Finance Committee.

Terms of Reference

- To oversee the risk management and risk assessment of all Digital services to ensure that the services provided allow the effective delivering of the Corporation's and the Police's business operations.
- ***To oversee IT and both physical and computer based Data Protection compliance.***
- To ensure the appropriateness and effectiveness of the Digital infrastructure and services for the City of London Corporation and the City of London Police.
- To ensure that all appropriate actions are taken to assure the security, resilience and sustainability of all Digital systems.
- To operate as an intelligent client for all major IT outsourcing arrangements which have been contracted to third parties.
- To oversee effectiveness and value for money of the digital services provision in all departments.
- Where appropriate, to hold informal workshop meetings to provide an opportunity to give in-depth scrutiny to projects.
- To report back, as necessary, to the Finance Committee.

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Efficiency and Performance-Sub Committee Terms of Reference

The Efficiency & Performance Sub Committee was created in 2011 to scrutinise plans for efficiency and performance across all of the City Corporation's departments and the City of London Police. It supports officers to drive value for money in areas such as third-party contracts, budgeting and facilities/asset management, and promotes effective planning - both on a departmental basis and for the Corporation as a whole.

Composition

- Chairman - Chairman of the Finance Committee
- Deputy Chairman - Deputy Chairman of the Finance Committee
- A minimum of 9 and a maximum of 13 Members of the Finance Committee appointed by the Finance Committee (this minimum includes the Chairman and Deputy Chairman of the Grand Committee and the Chairman and Deputy Chairman of the Sub-Committee)*

**currently the Chairman and Deputy Chairman of the Grand Committee also serve as Chairman and Deputy of E&P*

Terms of Reference

- To consider and advise the Grand Committee on matters relating to value for money in all aspects of the City of London Corporation's and the City of London Police's activities
- In accordance with Standing Orders to consider, with the Resource Allocation Sub Committee, the resource allocation plans for subsequent financial years prior to their approval by the Policy and Resources Committee
- To review periodically the performance of each Chief Officer in order to promote efficiency and value for money and to ensure, over a period of time, full Member level scrutiny of all expenditure planned.
- To be responsible for overseeing and monitoring the agreed programme of work arising from saving and efficiency programmes ensuring the achievement of savings, and suggesting further areas for examination as appropriate.
- To review and to monitor performance against the Chamberlain's Departmental Business Plan and related corporate initiatives in order to promote efficiency and value for money.
- To make recommendations, where necessary, to bring about improvements in performance

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Finance Grants Oversight and Performance Sub-Committee Terms of Reference

The Finance Grants Oversight and Performance Sub Committee provides strategic oversight of the City of London Corporation's Central Grants Programme, including reviewing progress, performance, impact against outcomes, and risks for all grants

Composition

- Chairman of the Finance Committee
- Deputy Chairman of the Finance Committee
- 9 to 13 Members of the Finance Committee appointed by the Finance Committee (this minimum includes the Chairman and Deputy Chairman of the Grand Committee)

Chairmanship

- Chairman – To be nominated by the Chairman of the Finance Committee for approval by the Finance Committee.
- Deputy Chairman – To be appointed by the Chairman of the Sub-Committee for approval by the Finance Committee.

Terms of Reference

- To provide strategic oversight of the City of London Corporation Central Grants Programme ('the Programme'), including reviewing progress, performance, impact against outcomes and risks for all grants
- To ensure the Programme is compliant with any obligations under the Local Government Transparency Code 2015 and the Equality Act 2010
- To approve and deploy a performance management framework in respect of the Programme
- To assess performance of the Programme against Charity Commission best practice guidelines, as relevant
- To make recommendations to the relevant grant-giving Committees on any performance issues or issues with specific grants
- To provide the Resource Allocation Sub (Policy and Resources) Committee with an annual report regarding performance of the Programme and recommendations in setting the City's Cash and City Fund allocations to the Programme themes

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Procurement Sub Committee Terms of Reference

Composition

- Chairman – to be proposed by the Chairman of the Finance Committee (if the Chairman of the Finance Committee does not intend to take up the position)
- Deputy Chairman – to be proposed by the Chairman of the Finance Committee (if the Deputy Chairman of the Finance Committee does not intend to take up the position)
- Chairman of the Finance Committee
- Deputy Chairman of the Finance Committee
- a minimum of nine and a maximum of 12 total Members of the Finance Committee (the minimum includes the respective Chairmen and Deputy Chairmen outlined above)

Terms of Reference

- To scrutinise and be responsible for value for money on all City of London Corporation and City of London Police procurement contracts above £2m (total contract value) at key stages, including initial tender strategy to final contract award sign off.
- To consider and recommend all procurement contracts above £4m to the Finance Committee.
- To invite representative(s) from the relevant Spend Committee to attend meetings ensuring decisions are made corporately
- To provide officers with advice focussed specifically on value for money, and consider lessons learned when major contracts are coming to an end (i.e. before the (re)tender process begins)
- To review and consider approvals of £50k+ waivers for the Chamberlain's department contracts
- To work with the Grand Committee to review and to monitor performance against the Chamberlain's Departmental Business Plan and related corporate initiatives in order to promote value for money and ensure compliance with the UK Public Contract Regulations and the Corporation's Procurement Code.

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Committee(s): Resource Allocation Sub Committee – For decision Policy and Resources – For decision Finance Committee Court of Common Council	Date(s): 2 May 2019 2 May 2019 21 May 2019 23 May 2019
Subject: Capital Funding Update – Bids for Reprioritisation and Annual Bid Process Details	Public
Report of: The Chamberlain	For Decision
Report author: Caroline Al-Beyerty, Deputy Chamberlain	

Summary

This report follows on from the main capital prioritisation paper agreed in April and considers the case for four schemes previously placed on hold to be allowed to progress outside of the fundamental review:

Table 1: Summary of Bids for Consideration		City Fund £000	City's Cash £000	Total Estimated Cost £000	Funding approval required now £000
<u>Changes in Priority Status</u>					
i	Holborn Viaduct and Snow Hill Pipe Subways over Thameslink - Repairs	10,000	-	10,000	-
ii	All Change at Bank (cost range)	4,000 - 18,000	-	4,000 - 18,000	660
iii	Wanstead Park Ponds	-	12,000	12,000	150
<u>Internal Loan Funding - Payback over more than 5 years</u>					
iii	Girls' School Expansion		15,300	15,300	15,300
		14,000 - 28,000	27,300	41,300 - 55,300	16,110

Should these schemes be agreed for progression, Corporate Priorities Board recommends the following sources of funding:

- £660k to be drawn from the balances currently available in the On- Street Parking Reserve.
- £15.45m to be drawn down from the general reserves of City's Cash, subject to the approval of the relevant gateway reports. Since no existing approved

financial provision exists, this will also require agreement of the Finance Committee and Court of Common Council.

The All Change at Bank project is the subject of a resolution from Streets and Walkways Sub Committee to allow the scheme to progress. The total cost of the scheme is currently estimated at between £4m and £18m, with the variance in cost largely driven by the choice of materials used. Officer advice from Priorities Board (including the Director of Built Environment) remains that no further works are needed on Health and Safety grounds, but if Resource Allocation Sub Committee wish to respond positively to the request from the Streets and Walkways Sub Committee, that the funding approval is limited to £4m and that Streets and Walkways Sub Committee consider what could be delivered within this sum.

Confirmation of the scope of funding sources captured by this review has been provided to clarify any areas of uncertainty. The scope relates only to schemes funded from central sources which include the On-Street Parking Reserve, Community Infrastructure Levy (CIL), flexible external contributions (e.g. some Transport for London grants) and additional allocations from the capital or general reserves of City Fund or City's Cash. This means that projects funded from most ring-fenced funds, such as the Housing Revenue Account, Designated Sales Pools and Cyclical Works Programmes are currently excluded, together with schemes wholly funded from external grants, and tenant / developer contributions e.g. under S278 agreements and most S106 deposits.

Members are asked to confirm an important principle of prioritisation to safeguard the robustness of the process going forward. This principle is: to ensure that, in the first instance scheme objectives must be considered against agreed corporate priorities, irrespective of the specific source of central funding to be applied. Therefore, although a scheme may fit within the permissible purpose of a specific source of central funding, such as the On-Street Parking Reserve, it does not follow that it should be given precedence over schemes with a higher corporate priority.

Approval is sought to the proposed annual bid process, which links to the business planning cycle flowing through to financial planning processes and will provide the opportunity to consider all bids across the organisation against the same criteria at the same time. Where schemes currently on hold do not meet criteria for funding following the fundamental review and where third-party funding is repayable this will be considered from central resources on a case-by-case basis. Details of the proposed annual bid process are provided at paragraph 15

Recommendations

Members of the Resource Allocation Sub and Policy and Resources Committees are asked to:

- i. Consider whether four schemes previously placed on hold pending the fundamental review should be allowed to progress:
 - o Repairs to Holborn Viaduct and Snow Hill Pipe Subways over Thameslink

- All Change at Bank
 - Wanstead Park Ponds
 - City of London Girls' School Expansion – Loan facility
- ii. To consider placing a limit on the funding envelope for the All Change at Bank scheme of £4m.
 - iii. Subject to (i) above, to agree the release of the following funding
 - £660k to be drawn from the balances currently available in the On- Street Parking Reserve.
 - The £15.45m to be drawn down from the general reserves of City's Cash, subject to the approval of the relevant gateway reports.
 - iv. Seek the approval of the Finance Committee and Court of Common Council to allocate up to £15.45m from the general reserves of City's Cash to provide loan funding for the Girls' School expansion project and fees to commence the Wanstead Ponds project.
 - v. Note the scope of central funding sources captured within this review as set out in paragraph 8 and confirm the principle of prioritisation to be adopted when considering funding allocation, in the first instance considering the scheme objectives against agreed corporate priorities, irrespective of the specific source of central funding to be applied.
 - vi. Note that the case for central support to cover loss experienced by third party funders as a direct result of schemes being deferred or cancelled due to the fundamental review will be considered on a case by case basis.
 - vii. Approve the details of the annual bid process set out in paragraph 19.

Main Report

Background

1. Members agreed it is essential to prioritise effectively which capital and supplementary revenue projects should progress, with funding allocated in a measured way, by applying a process of prioritisation that ensures the right schemes are progressed in order to meet corporate objectives.
2. Consequently, all pre-Gateway 5 projects funded from central resources have been placed on hold pending the fundamental review of services and the establishment of a system of corporate prioritisation, subject to an interim assessment against the following criteria:

Projects classified as **essential** which:

- i. Address a risk on the corporate risk register;

- ii. Have a sound business case that clearly demonstrates the negative impact of deferring the scheme, i.e. penalty costs or loss of income, where these are material (if any schemes are deferred, cancelled or scope reduced there will inevitably be some abortive costs); and
- iii. Fall within the following categories:
 - Health and safety compliance
 - Statutory compliance
 - Fully/substantially reimbursable
 - Spend-to-save or income- generating, generally with a short payback period (as a rule of thumb within 5 years)
 - Major renewals of income generating assets
 - Subsidiary categories to allow schemes that will ultimately result in a corporate risk:
 - replacement of critical end-of-life components for core services;
 - schemes required to deliver high priority policies; or
 - schemes with a high reputational impact.

Current Position

Principle of Funding Prioritisation

3. The scope of the interim review relates only to schemes funded from **central sources**, which include the **On Street Parking Reserve (OSPR)**, **Community Infrastructure Levy (CIL)**, **flexible external contributions** (e.g. some Transport for London grants) and additional allocations from the **general reserves** of City Fund or City's Cash. This means that projects funded from most ring-fenced funds, such as the Housing Revenue Account, Designated Sales Pools and Cyclical Works Programmes are excluded, together with schemes wholly funded from external grants, and tenant / developer contributions e.g. under S278 agreements and most S106 deposits. Such ring-fenced schemes progress as usual.
4. The central sources have various degrees of flexibility, e.g. City CIL which can be used for the provision of infrastructure, the On Street Parking Reserve which can be applied to certain highways and public realm environmental improvements (in accordance with the Road Traffic Regulation Act 1984), capital reserves derived from the proceeds of asset disposals which can be used only for capital expenditure and general revenue reserves which can be applied for purposes within the general local authority remit.
5. To help Members to prioritise the allocation of specific City resources to projects from the range of available central funding sources, the Corporate Priorities Board was created to provide a more holistic approach to the allocation of project finance, by considering bids for funding from the range of available central sources.
6. In the current constrained financial climate, it is important to focus on the corporate priority assessment, in the first instance considering the scheme objectives against

agreed corporate priorities, irrespective of the specific source of funding to be applied. Therefore, although a scheme may fit within the permissible purpose of a specific source of central funding, such as the OSPR, it does not follow that it should be given precedence over higher corporate priority schemes. For example, the OSPR should logically be applied to finance essential public realm works (not covered by CIL) including the transport and public realm works necessary to facilitate the major projects at the New Museum and Fleet Street sites, since these costs are dependencies. This would relieve pressure on other more flexible sources of funding.

7. Members are asked to confirm this important principle to ensure the robustness of the prioritisation process going forward.

Abortive costs

8. It is recognised that there may be some increase in costs caused by delays arising from placing schemes on hold. Abortive costs relating to schemes that are not eventually progressed are also an accepted risk inherent in the gateway process, as in the normal course of business a project does not get a green light to proceed until gateway 5. In the current process, a project can be stopped at any gateway including gateway 5 (although few have been, in practice, stopped). However, sensible steps should be taken to minimise the potential impact and any issues arising from loss experienced by third party funders (such as recompense for parents' school fees) will need to be considered on a case by case basis.

Bids for Funding Approval

9. The interim review of all relevant pre-gateway 5 projects was undertaken in April and identified those schemes to be placed on-hold pending the fundamental review. There are now four schemes with a total value ranging from £41.3m to £55.3m to be considered for release from being on hold, two from City Fund and two from City's Cash resources.

10. City Fund

Corporate Priorities Board has considered two City Fund requests against the corporate prioritisation criteria agreed by Policy and Resources Committee and has then considered them for best fit against the available resources. Members should note that should all schemes which could be funded from the OSPR and CIL currently on hold be approved the forecast balance of the funds is overcommitted and by 2023 would be exhausted. The OSPR Forecast is attached at Appendix 1 for information.

- i. Holborn Viaduct and Snow Hill Pipe Subways over Thameslink Repair (estimated cost of up to £10m)
 - This project concerns repairs to the roof slabs and maintenance works to the metal supporting girders of the pipe subways that carry utilities plant through Holborn Viaduct and Snow Hill. These pipe subways traverse the Thameslink railway tunnel and therefore require permission from Network Rail to facilitate access, which is costly.
 - When previously assessed, this project did not meet the interim prioritisation

criteria as it did not address a specific risk on the Corporate Risk Register. However, these highway structures are subject to ongoing monitoring with visual inspections indicating that their condition is poor and deteriorating, making the delivery of the repairs and maintenance work both essential and increasingly urgent.

- Repair works are also required to the Thameslink tunnel lids located on the new site of the Museum of London at Smithfield which are in close proximity to the pipe subways. These works also require Network Rail access permissions.
- **Prioritisation Assessment:** Access to the tunnels requires the closedown of the Thameslink rail service at considerable cost and therefore it makes sense to co-ordinate the Holborn/Snow Hill and Museum tunnel lids projects to minimise this expense. The Museum works are on the critical path for delivery of the Museum relocation major project and therefore it is proposed to allow the Holborn Viaduct/Snow Hill project to progress in tandem. Should Members agree to release the hold on this project, the Corporate Priorities Board recommends the OSPR as the most appropriate source of funding, subject to the requisite gateway approvals.

ii. All Change at Bank (estimated cost between £4m and £18m)

- The Bank on Safety scheme installed measures at Bank Junction to address serious pedestrian and cyclist safety concerns and air quality issues. These measures have delivered the required outcomes and Members have decided to retain the traffic restrictions on a permanent basis.
- The 'All Change at Bank' project to incorporate the traffic restrictions and consider further safety measures in an enhanced public realm at Bank junction was placed on hold pending the fundamental review as it did not meet the essential criteria for funding. However, a resolution passed by the Streets and Walkways Sub Committee (reported elsewhere on this agenda) has requested that Resource Allocation Sub Committee reconsider the priority status of the project and allow it to continue during the fundamental review on grounds of road safety and air quality risks and potential reputational damage. The total cost of the scheme is currently estimated at between £4m and £18m, the variance in cost is largely driven by the choice of materials used. Resource Allocation Sub Committee may consider requesting Streets and Walkways Sub Committee to investigate what could be delivered within a funding envelope of £4m in order to prioritise funding. The request for funding of £660k to be released now from the On-Street Parking Reserve will allow progression to the next gateway.
- **Prioritisation Assessment:** The primary objectives of the traffic measures at Bank junction have been largely achieved through the Bank on Safety scheme. Therefore the 'All Change at Bank' project, previously classified as non-essential, did not fulfil the interim criteria for funding priority and under the current arrangements would have remained on hold pending the fundamental review. However, mindful of the important principle of prioritisation, should Members wish to re-designate the scheme as essential with funding support to reach the next gateway, a sum of £660k could be allocated from the OSPR. Members may also wish to place a limit on the funding envelope for the scheme in total. Officer advice from Priorities Board (including the Director of Built Environment) remains that no further works are needed on Health and Safety grounds, but if Resource Allocation Sub Committee wish to respond positively to the request from the Streets and Walkways Sub Committee, that the funding approval is limited to £4m and

that Streets and Walkways Sub Committee consider what could be delivered within this sum.

11. City's Cash

iii. Wanstead Park Ponds (estimated cost £12m)

- A cascading chain of three ponds located in Wanstead Park have been designated by the Environment Agency as High Risk under the Flood and Water Management Act 2010. The City Corporation has a statutory duty to ensure that the pond structures meet the required standards.
- As a first step, the capacity of the pond structures during extreme weather needs to be assessed and a budget of £150k is requested now to undertake the engineering assessment and modelling of the pond system.
- Should the current capacity not be adequate the project will be progressed to develop further options on how to bring the structures up to the required standard. Wanstead Park is a Grade II* listed historic landscape which is on the Heritage at Risk register and the project scope also includes repair and improvements to address the at risk status. From a previous similar project at Hampstead Heath the importance of coherent engagement with stakeholders is well understood and therefore there is provision within the £150k budget for a communications officer resource.
- **Prioritisation Assessment:** The High Risk designation by the Environment Agency clearly demonstrates the potential health and safety risks associated with this project and it should therefore be allowed to progress outside of the fundamental review. Once the engineering assessment has been undertaken the priority status of the scheme will be reviewed against the prioritisation criteria.

12. In April, the Policy and Resources Committee decided that due to the magnitude of the loan funding being requested by the three private schools and the resulting impact on the financial capacity of City's Cash in the medium term, a decision should be deferred pending the fundamental review. This was with the exception of the Phase 1 Main House scheme at the Freeman's School which was already well advanced and had incurred considerable costs to date.

A request to reconsider the case for advancing a loan for the Girls' School has now been made.

iv. City of London Girls' School Expansion (loan funding of £15.3m)

- The £17m expansion plan for the Girls' School requires cash flow funding in the form of a £15.3m loan from City's Cash resources. The business case for these expansion works rests on the creation and full take up of additional pupil places to facilitate pay back of the loan within 11 years - and thereafter embed a more resilient financial position.
- The request to reconsider the approval of loan funding is particularly pertinent in the light of commitments of some £600k raised on the project to date which would become abortive if loan funding was denied by the City and will fall to be met from parents' school fees income.
- **Prioritisation Assessment:** The arguments for deferring a funding decision remain valid as the financial capacity of City's Cash is at issue. However, the school has built its latest business plan assuming the funding would be forthcoming and, during the intervening period since the loan request was

first submitted in January, has been progressing the design at risk to maintain pace. Should the scheme be deferred for a year or halted potential abortive costs of up to £600k would need to be justified to parents. This sets the Girls' School case aside from the Boys' and Freemans' School (Phase 2) which are both less well advanced with longer term payback proposals. Should Members agree funding for a loan it would need to be met from City's Cash reserves, supplemented by external loans as appropriate. The precise terms of internal loan facilities are to be the subject of a report to Finance Committee in May.

Release of funds now requested

13. Should Members agree to release the four projects from being on hold, authority to allocate funding of up to £16.11m would be required as summarised in Table 1 in the summary.

14. Corporate Priorities Board proposes the following sources of central funding:

- the £660k to be drawn from the balances currently available in the On-Street Parking Reserve.
- The £15.45m loan facility to be drawn down from the general reserves of City's Cash, subject to the approval of the relevant gateway reports. Since no existing approved financial provision exists, this will also require agreement of the Finance Committee and Court of Common Council.

Annual Bid Process

15. Members have approved the introduction of an annual capital bid process to ensure that proposed new schemes are affordable and properly prioritised against criteria developed to reflect the new corporate model. This approach will provide the opportunity to consider all bids across the organisation against the same criteria at the same time. An outline of the intended process is provided below.

Indicative timing	Action	Responsibility
July	Business Planning Process concludes	Chief Officers Service Committees
July	Agree corporate priority assessment criteria and framework	Town Clerk and Chamberlain Resource Allocation Sub-Committee Policy and Resources Committee (discuss at awayday)
July-September	Service Committees to receive capital bid proposals and agree a prioritised order for their services for submission to RA Sub and P&R Committees	Chief Officers Service Committees
October	Capital bids from service committees assessed against criteria	Town Clerk Chamberlain
November	RA Sub and P&R Committees review bids from service committees and provide in principle funding approval to schemes for progression	Resource Allocation Sub-Committee Policy and Resources Committee

December/January	Indicative costs of agreed schemes incorporated into medium term financial plans to assess financial impact/affordability in context of each Corporation Fund	Town Clerk Chamberlain RA Sub Resource Allocation Sub-Committee Policy and Resources Committee
February/March	Approval of budget for ensuing year which will include confirmation of supported bids	Finance Committee Court of Common Council

- Successful implementation is dependent on
 - Clear links to the business planning cycle flowing through to financial planning processes
 - Clearly defined outcomes of each proposal with value for money uppermost
 - A transparent and equitable prioritisation process that can be applied objectively.
- Members will agree corporate priorities via the fundamental review and the assessment framework/criteria to be applied to project bids.
- Over the summer, Chief Officers will compile the capital bids for new funding arising from departmental business plans. These bids will need to incorporate any projects currently on hold.
- Each service committee will consider bids from Chief Officers, prioritise them against service objectives and agree which bids are to be submitted to Resource Allocation Sub and Policy and Resources Committees for 'in principle' funding approval.
- Bids from service committees will be aggregated across the organisation and submitted to RA Sub and P&R for consideration, set within the framework of the new corporate prioritisation criteria. This will provide transparency so that services are informed of how their projects score from a corporate perspective and will help to manage service expectations.
- The financial implications of schemes with 'in principle' funding approval will be modelled into the MTFP of the relevant Corporation Fund to assess affordability, sustainability and prudence in accordance with the Prudential Code.
- Supported new bids will be confirmed as part of the annual budget setting process.
- Links to Corporate Project Procedure
 - Annual bids submissions to be based on the existing Gateway 1 Project Briefing documentation to avoid duplication.
 - To avoid a waste of resources in progressing unfunded schemes, only projects with 'in principle' approval to funding will be allowed to progress through the gateway process.

- Schemes approved in principle in March can then progress to Gateway 2 through to Gateway 4 by which time costs will be firmed up.
- Corporate Projects Board to apply additional challenge to ensure focus/scope is restricted to critical outcomes of each scheme.
- Projects will progress to Gateway 4(a) for Resource Allocation Sub and Policy and Resources Committees to consider a final bid for funding.

16. It is recognised that there is a potential timing conflict in this first year of the annual process arising from the overlap between finalising the prioritisation criteria and service committees agreeing their bids. Any future reviews of prioritisation criteria will need to be timed appropriately.

Conclusion

17. Four schemes with a total value ranging from £41.3m - £55.3m previously placed on hold are considered for progression. Should they all be agreed, release of £16.11m of funding will be required now of which £660k is to come from the On-Street Parking Reserve and £15.45m from the general reserves of City's Cash. The latter amount will be subject to specific approval of the Finance Committee and Court of Common Council.

18. The All Change at Bank project is the subject of a resolution from Streets and Walkways Sub Committee to allow the scheme to progress. The total cost of the scheme is currently estimated at between £4m and £18m, with the variance in cost largely driven by the choice of materials used. Resource Allocation Sub Committee may wish to consider requesting Streets and Walkways Sub Committee to consider what could be delivered within a funding envelope of £4m in order to prioritise funding.

19. The scope of central funding sources captured within this review have been clarified (as set out in paragraph 8) and Members are requested to confirm the important principle of prioritisation to be adopted when considering funding allocation, in the first instance considering the scheme objectives against agreed corporate priorities, irrespective of the specific source of funding to be applied.

20. The case for central support to cover loss experienced by third party funders as a direct result of schemes being deferred or cancelled as part of the fundamental review will be considered on a case by case basis.

21. Details of the annual bid process which links to the business planning cycle flowing through to financial planning processes and will provide the opportunity to consider all bids across the organisation against the same criteria at the same time are set out for Member approval in paragraph 15.

Appendices

- Appendix 1 - On Street Parking Reserve Forecast (non-public)

Background Papers

- Capital Programme – Project Funding: Policy and Resources Committee, 7 June 2012 (Non-Public)
- Risk Management Update – Audit and Risk Management Committee, 15 January 2019 (Public)
- Capital and Supplementary Revenue Project Funding – Fundamental Review and Interim Revised Prioritisation Process: Policy and Resources Committee, 21 February 2019 (Public).
- Capital Funding – Interim Revised Prioritisation and Project Funding Update April 2019 (Public)

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SUMMARY FORECAST ON-STREET PARKING RESERVE

	2017/18 Actual £'000	2018/19 Forecast £'000	2019/20 Forecast £'000	2020/21 Forecast £'000	2021/22 Forecast £'000	2022/23 Forecast £'000	TOTAL £'000
Expenditure - salaries, enforcement contract, other running expenses	6,503	6,423	4,577	4,606	4,698	4,792	31,598
Income - PCN's, parking meters, suspended bays, dispensations	(21,026)	(20,300)	(16,066)	(15,187)	(14,531)	(14,054)	(101,164)
NET REVENUE SURPLUS GENERATED IN YEAR	(14,523)	(13,877)	(11,489)	(10,582)	(9,833)	(9,262)	(69,566)
TOTAL OF CAPITAL, SRP & REVENUE COMMITMENTS	4,664	7,595	5,951	4,231	3,212	3,276	28,928
DEFICIT/(SURPLUS) Brought Forward @1st April	(20,121)	(29,980)	(36,262)	(41,800)	(48,151)	(54,773)	
DEFICIT/(SURPLUS) Carried Forward @ 31st March	(29,980)	(36,262)	(41,800)	(48,151)	(54,773)	(60,759)	

() = income or in hand balance

FORECAST SURPLUS AT END OF 2022/23 before Major Project Dependencies, current Bids and On-Hold schemes							(60,759)
MAJOR SCHEME DEPENDENCIES							
Museum of London Public Realm					12,000		12,000
Transport and Public Realm changes around Combined Criminal Courts and Police Development							NOT YET QUANTIFIED
CURRENT FUNDING BIDS (MAY 2019)							
Holborn Viaduct & Snow Hill Pipe Subways over Thameslink Str Reps	0	0	10,000	0	0	0	10,000
All Change at Bank	0	0	0	10,000	8,063	0	18,063
ON-HOLD SCHEMES							
Barbican Highwalk Remedial Works	0	0	6,000	6,000	0	19,000	31,000
Dominant House Footbridge Repairs (Implementation)	0	0	350	728	0	0	1,078
London Wall CP Waterproofing, Joint Replacement & Concrete Repairs	0	2,000	0	0	0	0	2,000
Temple Area Traffic Review (Implementation)	0	0	2,840	0	0	0	2,840
FORECAST DEFICIT IF ALL SCHEMES PROGRESS							16,222

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Committee(s): Finance Committee – For decision Court of Common Council – For decision	Date(s): 21 May 2019 Urgency May 2019
Subject: Capital Funding –Interim Revised Prioritisation and Project Funding Update	Public
Report of: The Chamberlain	For Decision
Report author: Caroline Al-Beyerty, Deputy Chamberlain	

Summary

In April, Policy and Resources Committee agreed to prioritise a number of capital and supplementary revenue projects (SRPs) for progression outside of the Fundamental Review process. This requires the release of up to £21.818m in respect of schemes requiring internal loan funding as follows:

Bids for Internal Loans	City Fund £000	City's Cash £000	Total £000
<u>Payback within 5 years</u>			
Electric Vehicle Replacements Internal Loan facility (excluding Police)	500	700	1,200
Police Electric Vehicle Replacements Internal Loan facility	1,800	-	1,800
<u>Payback over more than 5 years</u>			
Freemen's School Masterplan Phase 1		18,818	18,818
	2,300	19,518	21,818

The 2019/20 City Fund and City's Cash budgets approved by Finance Committee and Court of Common Council in February/March 2019 did not include provisions for these amounts.

Therefore, approval is now sought to additional budgetary provisions from 2019/20 to provide the following funding support:

- Loan funding for electric vehicle replacements to be released as required in order to comply with the Mayor of London's Ultra Low Emissions Zone (ULEZ) (repayable within 5 years)
 - £2.3m from the general reserves of City Fund for Police and other City Fund vehicles;
 - £0.7m from the general reserves of City's Cash for City's Cash vehicles;

- £18.818m from the general reserves of City's Cash (supplemented as necessary by external borrowing) to provide loan funding for Phase 1 of the Freeman's School Masterplan, to be released as required over the life of the project (to be repaid within 11 years).

Recommendations:

Members of the Finance Committee are asked to:

- i. Approve additional budgetary provisions of up to £21.818m to provide internal loan funding (as detailed above) to be drawn from the general reserves of City Fund and City's Cash.
- ii. Agree that these loan facilities will be available from 2019/20 onwards, to be drawn down as required over the life of the projects subject to other relevant approvals.
- iii. Recommend approval of these budget increases by the Court of Common Council.

Main report

Background

1. In February 2019 Members agreed to place on hold all pre-gateway 5 capital and SRP schemes requiring central funding pending a fundamental review of services, subject to an interim review against approved temporary prioritisation criteria.
2. In April, following the interim review of projects against the temporary prioritisation criteria, Members of the Resource Allocation Sub and Policy and Resources Committees agreed that projects with an estimated combined value of £89m be allowed to progress outside of the Fundamental Review process.
3. Of these projects, early release of £21.818m of internal loan funding with:
 - payback periods of 5 years or less of up to £3m; and
 - payback periods of more than 5 years of up to £18.818m
 was agreed, subject to other relevant approvals including gateways and Court of Common Council. Each scheme will be considered under its own merits.

Proposals

4. The 2019/20 City Fund and City's Cash budgets approved by Finance Committee and Court of Common Council in February/March 2019 did not include provisions for these sums.
5. Therefore, approval is now sought for the following additional budgetary provisions:

- Loan funding for electric vehicle replacements to be released as required in order to comply with the Mayor of London's Ultra Low Emissions Zone (ULEZ)
 - £2.3m from the general reserves of City Fund for Police and other City Fund vehicles;
 - £0.7m from the general reserves of City's Cash for City's Cash vehicles
 - £18.818m from the general reserves of City's Cash (supplemented as necessary by external borrowing) to provide loan funding for Phase 1 of the Freeman's School Masterplan, to be released as required over the life of the project.
6. Release of these funds will be subject to the relevant gateway approvals and will be available from 2019/20 over the life of the relevant projects.
7. It is intended that any shortfall in the general reserves of City's Cash will be supplemented by external borrowing through private placement.

Conclusion

8. Members of the Resource Allocation and Policy and Resources Committees agreed to allow a number of schemes to progress outside of the Fundamental Review, including projects requiring £21.818m of internal loan finance.
9. The 2019/20 City Fund and City's Cash budgets approved by Finance Committee and Court of Common Council in February/March 2019 did not include provisions for these sums.
10. This report seeks approval of Finance Committee to the required additional budgetary provisions from 2019/20 onwards over the life of the relevant projects and to recommend this to the Court of Common Council.

Appendices

None

Background Papers

- Capital and Supplementary Revenue Project Funding – Fundamental Review and Interim Revised Prioritisation Process: Policy and Resources Committee, 21 February 2019 (Public).
- Capital Funding –Interim Revised Prioritisation and Project Funding Update: Resource Allocation Sub Committee, 8th April 2019; Policy and Resources Committee, 11th April 2019 (Public)

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Committee(s)	Dated:
Finance Committee – For Information	21/05/2019
Subject: Chamberlain’s Department Risk Management – Monthly Report	Public
Report of: Chamberlain	For Information
Report author: Matt Lock, Chamberlain’s Department	

Summary

This report has been produced to provide Finance Committee with an update on the most significant risks faced by the Chamberlain’s department.

There is currently one RED risk on the Corporate Risk Register within the responsibility of Chamberlain’s Department and none on the departmental risk register:

- **CR23 – Police Funding**

The Chamberlain’s Senior Leadership Team continues to monitor closely the progress being made to mitigate this risk, working closely with the Town Clerk and City of London Police colleagues.

Recommendation(s)

Members are asked to note the report.

Main Report

Background

1. The Risk Management Framework of the City of London Corporation requires each Chief Officer to report regularly to Committee the key risks faced in their department. Finance Committee has determined that it will receive the Chamberlain’s risk register on a quarterly basis with update reports on RED rated risks and any other Brexit risks at the intervening Committee meetings.

Current Position

2. This report provides an update on the current RED risks that exist in relation to the operations of the Chamberlain’s department and, therefore, Finance Committee.
3. There is currently one RED risk on the Corporate Risk Register for which the Chamberlain’s Department is responsible and none on the departmental Risk Register. There are two Amber rated Brexit Risks:

CR23 – Police Funding (Current Risk: Red – no change)

4. The 2018/19 outturn position is now confirmed as a £2.3m overspend after in-year mitigations, funded by application of £1.9m additional Business Rates Premium proceeds plus drawdown from the residual police general reserve and the Proceeds of Crime Act reserve.
5. The Force's 2019/20 growth bid against £4.2m Security PIP will be considered by RASC on 2 May. Looking to 2020/21 and beyond, proposals for a sustainable medium-term financial settlement will be brought forward to the Autumn Committee cycle, following scrutiny by the Police Authority and informed by the RASC informal away day in July.

CHB CP001 – Brexit risk to City Corporation procurement and supply chains (Current Risk: Amber – no change)

6. With the extension of Article 50, regulations will stay as current until details of a revised transition period are announced. An approach to key suppliers to request their mitigation plans in relation to Brexit will be conducted at the appropriate time and as further information regarding exit arrangements becomes available.

CHB FS005 – Brexit impact on City Corporation income streams (Current Risk: Amber – no change)

7. The primary element of this risk is a potential drop in investment property income, however, there is no current indication of a fall in occupation levels or demand for City office and retail space. A landmark ruling has been made in a case where a European business, citing Brexit, sought to terminate its lease contract early via the doctrine of frustration. Lawyers believe that this could stave off similar attempts from other tenants.

Conclusion

8. Members are asked to note the actions taken by Chamberlain's Department to manage the Police Funding and Brexit risks.

Appendices

- None

Background Papers

Monthly Reports to Finance Committee: Finance Committee Risk
Report to Finance Committee 10 April 2019: Finance Committee Risk – Quarterly Report

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Committee: Finance Committee	Date: 21 May 2019
Subject: Central Contingencies 2019/20	Public
Report of: Chamberlain	For Decision
Report author: Philip Gregory, Financial Services Division	

Summary

This report has been produced to provide Members with an update on the Central Contingencies uncommitted balances.

Of the previous allocations agreed by Committee, a further sum of £25,000 from the City's Cash Contingency will be required in future years in addition to the £40,000 agreed to carry forward in April 2019. Therefore, it is proposed that this sum is carried forward from 2018/19 to 2019/20 thereby ensuring that a full year's contingency provision is available during 2019/20.

Recommendation(s)

Members are asked to agree to carry forward sufficient resources of a further £25,000 to meet existing allocations and thereby providing a full year's contingency for funding requirements that may arise during 2019/20.

Main Report

Background

1. Service Committee budgets are prepared within the resources allocated by the Policy and Resources Committee and, with the exception of the Policy and Resources Committee, such budgets do not include any significant contingencies. The budgets directly overseen by the Finance Committee therefore include central contingencies to meet unforeseen and/or exceptional items that may be identified across the City Corporation's range of activities. Requests for allocations from the contingencies should demonstrate why the costs cannot, or should not, be met from existing provisions.
2. In addition to the central contingencies, the Committee has a specific City's Cash contingency of £100,000 to support humanitarian disaster relief efforts both nationally and internationally.

Current Position

3. Of the previous allocations agreed by Committee, a sum of £25,000 as listed below will be required in future years. Therefore, it is proposed that this sum is carried forward from 2018/19 to 2019/20 thereby ensuring that a full year's contingency provision is available during 2019/20:
 - £25,000 which comprises Solicitors fees for the private placement of debt raising from City's Cash Contingency.
4. This is in addition to the carry forward of previous allocations agreed in April 2019:
 - £25,000 for Biography of Sir Thomas Gresham from City's Cash Contingency
 - £15,000 towards an ongoing appeal regarding Greater London Authority Roads from City Fund Contingency.
5. The uncommitted balances that are currently available for 2019/20 are set out in the table below. At the time of preparing this report there are no requests for funding elsewhere on the agenda.

2019/20 Contingencies – Uncommitted Balances and requests at 1 May 2019				
	City's Cash	City Fund	Bridge House Estates	Total
	£'000	£'000	£'000	£'000
General Contingencies	950	650	50	1,650
National and International Disasters	100	0	0	100
Uncommitted Balances	1,050	650	50	1,750
Requests for contingency allocations	0	0	0	0
Balances pending approval	1,050	650	50	1,750

6. The sums which the Committee has previously allocated from the 2019/20 contingencies are listed in Appendix 1.

Conclusion

7. Members are asked to agree to carry forward sufficient resources of a further £25,000 to meet existing allocations and thereby providing a full year's contingency for funding requirements that may arise during 2019/20 and to note the Central Contingencies uncommitted balances.

Appendices

- Appendix 1 – Allocations from 2019/20 contingencies

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2019/20 General Contingency – City's Cash

Date	Description	Responsible Officer	Allocation £	Balance £
21 Oct 2014	2019/20 Provision	TC	25,000	950,000
	2019/20 Provision brought forward to fund allocations agreed in previous years			50,000
	Total Provision			1,000,000
27 Nov 2018 and 22 Jan 2018 (Urgency)	Up to £98,000 in phased match funding (in partnership with the Mercers' Company) for a biography of Sir Thomas Gresham (transferred £29,000 in 2014/15, £9,000 in 2015/16, £1,000 in 2017/18 and £34,000 in 2018/19)	CHB	25,000	
	Funding of £230k which comprises £130k towards securing a short-term bank loan facility (Rothschild £60k and Solicitors £70k) and £100k to Solicitors for the private placement of debt raising requirement.			
	Total allocations agreed to date			50,000
	Balance remaining prior to any requests that may be made to this meeting			950,000

2019/20 General Contingency – City Fund

Date	Description	Responsible Officer	Allocation £	Balance £
17 Feb 2015 and 19 Jan 2016	2019/20 Provision	C&CS/CS	15,000	800,000
	2018/19 Provision brought forward to fund allocations agreed in previous years			15,000
	Total Provision			815,000
19 Feb 2019	Funding of £142,000 and an additional sum of £80,000 towards an ongoing appeal regarding Greater London Authority Roads (transferred £84,000 in 2014/15, £20,000 in 2015/16, £23,000 in 2016/17, £35,000 in 2017/18 and £45,000 in 2018/19)	C&CS/CS	150,000	
	Funding of £300,000 towards an ongoing appeal regarding Greater London Authority Roads equally split from the 2018/19 and 2019/20 contingencies			

Date	Description	Responsible Officer	Allocation £	Balance £
	Total allocations agreed to date			165,000
	Balance remaining prior to any requests that may be made to this meeting			650,000

2019/20 General Contingency – Bridge House Estates

Date	Description	Responsible Officer	Allocation £	Balance £
	2019/20 Provision			50,000
	2018/19 Provision brought forward to fund allocations agreed in previous years			0
	Total Provision			50,000
	Total allocations agreed to date			0
	Balance remaining prior to any requests that may be made to this meeting			50,000

2019/20 National & International Disasters Contingency – City's Cash

Date	Description	Responsible Officer	Allocation £	Balance £
	2019/20 Provision			100,000
	2018/19 Provision brought forward to fund allocations agreed in previous years			0
	Total Provision			100,000
	Total allocations agreed to date			0
	Balance remaining prior to any requests that may be made to this meeting			100,000

Key to Responsible Officers:

CS – City Surveyor

TC – Town Clerk

C&CS – Comptroller and City Solicitor

Committee(s): Finance Committee – For information	Date(s): 21/05/2019
Subject: Chamberlain’s Departmental Business Plan – Year-end Update	Public
Report of: Chamberlain	For Information
Report author: Matt Lock	

Summary

This report provides Members with a year-end summary of delivery against the objectives and expected outcomes stated in the Chamberlain’s Business Plan for 2018/19. Progress was good, with most key milestones met according to anticipated timescales.

Key achievements in 2018/19 include:

- Development of the Medium Term Financial Plan against the challenging backdrop of financing the major projects
- Annual procurement savings secured totalling £6.74m.
- 95% completion of the IT Network Transformation.

Overall performance for the department was good with some Key Performance Indicators exceeding targets. There were a very small number of Key Performance Indicators that were not met which have been detailed below.

Recommendation(s)

Members are asked to note the report.

Main Report

Background

1. The Chamberlain’s Department Business Plan for 2018/19 was approved by Finance Committee on 10 April 2018. It is a requirement of the Corporate Business Planning Framework that business plan delivery update reports be provided to Committee on a quarterly basis. This report builds upon the good progress reported throughout the year and provides a year end summary of our performance against stated objectives.

Service Delivery and Key Improvement Objectives

Finance

2. A financing strategy has been developed for the Major Projects, including a green and sustainable private placement (borrowing) model. This, developed alongside the Medium Term Financial Plan, has identified a more significant challenge on the overall resources of the City Corporation than has been experienced in recent memory. We have worked closely with the Town Clerk to develop a model to assess the value and effectiveness of services provided by the organisation through the Fundamental Review, taking place in early 2019/20.
3. Good progress has been made to bring forward the process for preparing the financial statements, working towards a draft set of City Fund accounts by 1st May. We are on track to have this complete for all activity other than capital, a number of learning points have been identified which will inform a second phase of the faster closing project to be delivered in 2019/20.

IT

4. Network Transformation was 95% completed within 2018/19, with a few sites remaining where permits were required from TfL to excavate the highway, these will be completed by the end of May 2019.
5. End user satisfaction continues to improve as colleagues become more familiar with the range of new functionality available through Office 365, tracked through satisfaction surveys. The success of IT transformation is evidenced by growing user adoption across applications.
6. The IT team received at the Local Government Chronical Awards Ceremony a highly commended award in the Digital Impact (Digital Council) of the year category. We were the only public sector organisation in this category to get this recognition. This award recognises the contribution being made for Digital working both internally and externally.

Commercial

7. Interventions in Corporate contracts by the Commercial Contract Management Team (CCM) have delivered confirmed in-year savings amounting to £1.7m across 17 projects. The total of the contracted savings across these projects amounts to £3.3m throughout these contracts' lifecycles. These projects have included service rate reductions realised through non-contractual benchmarking activity; service charge credits through specification realignment to match current needs; and successful commercial negotiation of contractual disputes.
8. The Commercial team has prepared a learning programme focussed on Commercialism in the Supply Chain. This purpose of this learning programme is to raise awareness of the principles of commercialism amongst non-procurement colleagues, so that these colleagues can contribute constructively, through their daily duties towards achieving best value from contracted provisions. This will be delivered in three sessions across June, July, and August 2019. These live

sessions will be recorded with a view to developing an online e-Learning module that will be made available to all officers.

Delivery against Key Performance Indicators

9. The Chamberlain's Performance Scorecard is shown as Appendix 1 to this report. This shows good performance across the range of KPIs in place. The following points are highlighted:
 - Accounts Payable Invoice Turnaround – the target for SME (10 day) of 84% has been exceeded by 3%. There is a slight dip in performance against the 30 day payment target, although it should be noted that this is a stretch target above industry standard. The dip relates to an increased focus on year end activity working towards our strategic priority for faster closing of the accounts.
 - % of Invoices Received Electronically – performance against this target continues to improve as the team work with suppliers, although still short of the target of 80%. This will remain as an improvement objective in 2019/20 and is a key contributor to the efficiency of the Accounts Payable team.
 - The procurement savings target of £6.52m has been exceeded at £6.74m.
 - IT service availability is consistently high.
 - The target for delivery of the Internal Audit Plan for 2018/19 has been almost achieved (92% against a target of 96%), despite earlier challenges and delivery consistently below the target profile for much of the year.
10. We did not undertake our annual departmental customer survey this year as there is a corporate wide review of internal customer service with the objective of bringing about greater consistency and standardisation across departments. This will include customer survey and so we deferred our own to avoid duplication, the Corporate Staff Engagement Survey also included some degree of customer survey although not to the same level of granularity.
11. Similarly, we did not undertake our own staff survey in 2018/19 in light of the Corporate Staff Engagement survey. The Chamberlain's department had an excellent response rate, the highest in the organisation, the results show that we continue to have good engagement yet with scope to improve further in relation to communication and dissemination of information, getting more out of the performance management framework and change management.

Conclusion

12. Members are asked to note the successful delivery of the Chamberlain's Department Business Plan for 2018/19, the significant majority of activities having been delivered in accordance with stated expectations.

Appendices

- Appendix 1 – Chamberlain's Department Scorecard

Background Papers

- Report to Finance Committee 19/02/2019: Chamberlain's Business Plan – Quarter three Update
- Report to Finance Committee 13/11/2018: Chamberlain's Business Plan – Half Year Update
- Report to Finance Committee 18/09/2018: Chamberlain's Business Plan – First Quarter Update
- Report to Finance Committee 10/04/2018: Chamberlain's Business Plan 2018/19

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Chamberlain's Department Performance Scorecard

				Quarterly update				
	Measure	2017/18 performance	2018/19 target	Qtr 1	Qtr 2	Qtr 3	Qtr 4	RAG
Accounts Payable invoice turnaround (30 day)	% paid measured quarterly	Cumulative:		95%	95%	94%	94%	G
		95%	97%	95%	94%	94%	93%	
Accounts Payable invoice turnaround (10 day)	% paid measured quarterly	Cumulative:		80%	80%	83%	84%	G
		77%	85%	80%	80%	89%	87%	
% of Invoices in true PDF form by the AP team	measured quarterly	Cumulative:		72%	72%	79%	80%	G
		N/A	80%	72%	72%	72%	74%	
Annual Procurement Savings (cumulative)	Savings achieved	Target Profile:		£1.45m	£3.12m	£4.94m	£6.52m	G
		£6.98m	£6.52m	£1.63m	£3.21m	£4.98m	£6.74m	
Commercial rent collection rates	% collected	98.61%	98%	98.76%	98.77%	98.60%	98.42	G
Business Rates collection rates (cumulative)	% collected	Target Profile:		28.0%	58.0%	89.25%	99.75%	G
		100%	99.75%	32.31%	59%	88%	99.69%	
Internal Audit Performance (cumulative)	Audit Plan delivery (%)	96%	96%	14%	32%	62%	96%	A
				5%	17%	29%	92%	
IT Service Performance (SLA with Agilisys is monthly so a yearly average does not necessarily reflect their performance across the year)	Fixing Issues		Application Availability					
	P1 incidents fixed within 2hrs (98%)	P2 incidents fixed within 6hrs (98%)	Application availability (99%)	Telephony Availability (99.5%) <small>moved to Freedom from 1st September</small>	Datacentre LAN Availability (99.9%)	Corporate Network Availability (99.5%) <small>moved to Freedom from 1st September</small>		
	CoL 100% CoLP 67%	CoL 67% CoLP 100%	CoL 100% CoLP 99.96%	CoL n/a CoLP n/a	CoL 100% CoLP 100%	CoL n/a CoLP n/a		
Publication of City Fund Accounts within Statutory Deadline of 31 st July					Status:		Complete	
Delivery of a balanced budget and Medium Term Financial Plan for City Fund, approved by Court of Common Council by 31 March					Status:		Complete	
Effective financial management: Expenditure against Departmental Local Risk Budgets within ±5% (<i>year-end target</i>)					Status:		On track	
Provide a high quality service to our customers measured through our annual customer survey						2017/18 “good to very good”		
Cumulative average assessment “good”								
Increased staff engagement, measured by percentage of positive responses to Staff Survey Q4: “I recognise that if I am successful in my role it contributes to successful delivery of the Department’s Business Plan”					2017/18 90.1%		Target 92%	

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