

## FINANCE COMMITTEE

Tuesday, 15 December 2015

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

### Present

#### Members:

Roger Chadwick (Chairman)	Alderman Vincent Keaveny
Jeremy Mayhew (Deputy Chairman)	Deputy Alastair King
Randall Anderson	Oliver Lodge
Deputy John Barker	Alderman Professor Michael Mainelli
Nigel Challis	Deputy Henry Pollard
Deputy Brian Harris	Adam Richardson
Alderman Peter Hewitt	James de Sausmarez
Wendy Hyde	Ian Seaton
Deputy Jamie Ingham Clark	David Thompson
Clare James	

#### Officers:

Peter Lisley	- Assistant Town Clerk
Christopher Braithwaite	- Town Clerk's Department
Peter Kane	- Chamberlain
Caroline Al-Beyerty	- Chamberlain's Department
Christopher Bell	- Chamberlain's Department
Graham Bell	- Chamberlain's Department
Carla-Maria Heath	- Chamberlain's Department
Kate Limna	- Chamberlain's Department
Michael Cogher	- Comptroller and City Solicitor
Peter Bennett	- City Surveyor

#### 1. **APOLOGIES**

Apologies for absence were received from Nick Bensted-Smith, Mark Boleat, Alderman Charles Bowman, John Fletcher, Stuart Fraser, Christopher Hayward, Sir Michael Snyder, Deputy John Tomlinson and Philip Woodhouse.

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

Ian Seaton declared a non-pecuniary interest in respect of item 26 due to having a business relationship with the company involved.

#### 3. **MINUTES OF THE PREVIOUS MEETING**

**RESOLVED** – That the public minutes and summary of the meeting held on 17 November 2015 be approved as an accurate record.

4. **OUTSTANDING ACTIONS FROM PREVIOUS MEETINGS**

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

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

5. **DRAFT PUBLIC MINUTES OF SUB-COMMITTEES**

a) **Draft public minutes of the Efficiency and Performance Sub-Committee held on 4 November 2015**

**RESOLVED** – That the public minutes and non-public summary of the Efficiency & Performance Sub-Committee meeting held on 4 November 2015 be noted.

b) **Draft public minutes of the Finance Grants Sub-Committee held on 17 November 2015**

**RESOLVED** – That the public minutes and non-public summary of the Finance Grants Sub-Committee meeting held on 17 November 2015 be noted.

c) **Draft public minutes of the Corporate Asset Sub-Committee held on 24 November 2015**

**RESOLVED** – That the public minutes and non-public summary of the Corporate Assets Sub-Committee meeting held on 24 November 2015 be noted.

6. **ANNUAL REVIEW OF THE COMMITTEE'S TERMS OF REFERENCE AND 2016 AGENDA PLAN**

The Committee considered a report of the Town Clerk which requested the Committee to conduct their annual review of the Committee's Terms of Reference. The report also provided the Committee with an agenda plan for 2016.

A Member asked whether responsibility for Risk Management should be included in the Terms of Reference of the Committee. The Town Clerk explained that this question had also been asked at a recent meeting of the Culture, Heritage and Libraries Committee, and advised that the Town Clerk's Department had discussed this issue and would consider that Risk Management was already implicitly enshrined within the Terms of Reference of all Service Committees by virtue of their duties in monitoring the Department.

A Member suggested that this should be an issue for the Audit and Risk Management Committee to consider and make a recommendation to Service Committees. Members agreed that this would be appropriate.

**RESOLVED** – That the Committee approves the changes to the Terms of Reference as set out within the report.

7. **AUTUMN STATEMENT AND SPENDING REVIEW**

The Committee considered a report of the Chamberlain which provided the Committee with information of the implications of the Government's Autumn Statement and Spending Review.

The Chamberlain advised the Committee that announcements were expected from the Government on the details of the Local Government and Police Settlements in the next couple of days. The Chairman advised that a further Members' Breakfast regarding Police Funding had been arranged for 12 January 2016 at 8.30am.

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

8. **INFORMATION TECHNOLOGY DEPARTMENT - QUARTERLY UPDATE**

The Sub-Committee considered a report of the Chamberlain which provided an update on the performance of the Information Technology Division over the previous quarter.

The Chamberlain provided Members with further information regarding the power outage which had affected IT service provision on the 23 November and the interruption to internet connectivity, caused by a fibre break, which had occurred on the 11 December. The Chamberlain advised that following on from the power outage, further planned maintenance had been required to rectify faults with both Fire Control System and the Uninterruptable Power Supply. This maintenance had successfully completed overnight on the 11/12 December. The Chamberlain noted that this highlighted the need for greater resiliency within the IT infrastructure of the Corporation.

Members expressed concern that the outages had led to significant periods of staff being unable to operate, and also expressed dissatisfaction about how Members were notified of the outages. The Assistant Town Clerk suggested that it may be beneficial for Members, in their roles on Service Committees, to ask Directors for clarification about their business continuity plans in the event of similar outages in future.

The Chamberlain advised that the number of defects within the Oracle Programme had been reduced from 15 to five, and the remaining defects were expected to be resolved by the end of December.

A Member asked whether the Superfast City work was expected to improve Broadband access for all residential properties within the City, or whether the benefit would be focused in the more concentrated residential areas. The Chamberlain explained that the increase in the number of BT Cabinets was expected to improve access to Broadband across the City, although it was anticipated that access may remain challenging for some residents. However, he explained that it was difficult to estimate the exact areas which might still have access difficulties due to the nature of the works.

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

9. **THE PENSION FUND DEFICIT**

The Committee considered a report of the Chamberlain which provided Members with information in relation to the deficit of the City of London Pension Fund, following questions being asked on this subject at the Court of Common Council in October 2015.

The Town Clerk also highlighted that a Member Development Session on the Pension Fund had been scheduled for 11 January 2015 at 4.00pm.

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

10. **THE WORK OF THE CITY'S SOCIAL VALUE PANEL**

The Committee considered a report of the Chamberlain which provided information regarding City Procurement's Social Value Panel.

Members thanked the Chamberlain for the report and stated that this was a good news story for the Corporation.

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

11. **INVEST NORTHERN IRELAND'S BUILDING LONDON CONFERENCE**

The Committee considered a report of the Chamberlain which advised Members of a presentation made by the City of London Corporation at the Invest Northern Ireland Building London Conference, which had been warmly received.

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

12. **COUNCIL TAX REDUCTION SCHEME**

The Committee considered a report of the Chamberlain which recommended to Members changes to the Council Tax Reduction Scheme, in light of changes to national benefits in the July 2015 budget.

**RESOLVED** – That the Committee endorses the adoption of a revised Council Tax Reduction Scheme, following national benefit upratings (increases) and applying option 1 (set out within the report) for onward approval by the Court of Common Council, which would introduce revised applicable amounts, personal allowances, backdating and non-dependant deductions in line with Housing Benefit.

13. **MEMBERS' FINANCIAL ALLOWANCE LOSS SCHEME**

The Committee considered a report of the Town Clerk which provided the Committee with information regarding the operation of the Members' Financial Allowance Loss Scheme over the last year.

A Member asked whether information could be provided regarding the number of Members who had made claims. The Town Clerk advised that claims made under the Scheme were handled confidentially, so it was not possible to advise the Committee of this.

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

14. **RISK MANAGEMENT - TOP RISKS**

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

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

15. **POLICE ARBORETUM MEMORIAL TRUST - NEW NATIONAL MEMORIAL PROJECT**

The Committee considered a report of the Town Clerk which advised Members of a request for £50,000 funding from the Finance Committee City's Cash Contingency for the first year of the Corporation's contribution to the Police Arboretum Memorial Trust's project to create a new national memorial to pay tribute to the UK's Police Service and honour those Officers who have died in service.

The Town Clerk advised the Committee that the Policy and Resources Committee agreed to support a total contribution of £250,000 to the project over five years, with years two to five being funded through a base budget uplift of the Policy and Resources Committee budget.

**RESOLVED** – That the Committee agrees that funding for Year 1 of the Corporation's contribution to the Police Arboretum Memorial Trust's arboretum memorial project of £50,000 be met from the Finance Committee's City's Cash Contingency.

16. **CENTRAL CONTINGENCIES**

Consideration was given to a report of the Chamberlain which provided the Committee with information regarding the current balance of the Finance Committee Contingency Funds for the current year.

The report also informed the Committee of a request from the City Surveyor for £80,000 funding from the City's Cash Contingency to meet the cost of the Assistant Property Facilities Manager posts for the period January to March 2016, pending completion of the Facilities Management Review. The Committee was advised that the Property Investment Board had been consulted on this request and had supported it.

A Member commented that the request for funding from the Committee's Contingency should be supported, but only on the basis that the outcomes of the Facilities Management Review would be completed by the end of March 2015.

**RESOLVED** – That the Committee:

- a) notes the report; and

- b) agrees to allocate £80,000 to the City Surveyor's budget from the Finance Committee's City's Cash contingency to meet the cost of the Assistant Property Facilities Manager posts for the period January to March 2016 pending completion of the Facilities Management review.

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

There were no questions.

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

There were no urgent items.

**19. EXCLUSION OF THE PUBLIC**

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

**Item No.**

**Paragraphs in Schedule 12A**

20-28

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

The non-public minutes of the meeting held on 17 November 2015 were approved as an accurate record.

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

The Committee considered and noted a report of the Town Clerk which set out actions outstanding from previous non-public minutes of the Committee.

**22. DRAFT NON-PUBLIC MINUTES OF SUB-COMMITTEES**

**a) Draft non-public minutes of the Efficiency and Performance Sub-Committee held on 4 November 2015**

The non-public minutes of the Efficiency & Performance Sub-Committee meeting held on 4 November 2015 were noted.

**b) Draft non-public minutes of the Finance Grants Sub-Committee held on 17 November 2015**

The non-public minutes of the Finance Grants Sub-Committee meeting held on 17 November 2015 were noted.

**c) Draft non-public minutes of the Corporate Asset Sub-Committee held on 24 November 2015**

The non-public minutes of the Corporate Asset Sub-Committee meeting held on 24 November 2015 were noted.

23. **CITY'S ESTATE STRATEGIC REVIEW - ANNUAL UPDATE**

The Committee noted a report of the City Surveyor which provided an annual update of the progress made over the previous year in respect of the City's Estate.

24. **STRATEGIC PROPERTY ESTATE - ANNUAL UPDATE**

The Committee noted a report of the City Surveyor which provided an annual update of the progress made over the previous year in respect of the Strategic Property Estate.

25. **WAIVER APPROVAL REQUEST - TELEPHONE LINES CONTRACT**

The Committee considered and approved a report of the Chamberlain which requested approval of a waiver for the contract for the provision of telephone lines and telephone call services.

26. **WAIVER APPROVAL REQUEST - INTERNAL AUDIT SUPPORT SERVICES**

The Committee considered and approved a report of the Chamberlain which requested approval for the variation and extension of an existing contract necessary for continuity in the leadership and effective performance of the internal audit function over the remainder of the 2015/16 financial year.

27. **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.

28. **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 non-public business.

**The meeting closed at 3.10 pm**

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Chairman

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