

FINANCE COMMITTEE

Tuesday, 25 July 2017

Minutes of the meeting of the Finance Committee held at Committee Room - 2nd Floor West Wing, Guildhall on Tuesday, 25 July 2017 at 1.45 pm

Present

Members:

Jeremy Mayhew (Chairman)	Tim Levene
Deputy Jamie Ingham Clark (Deputy Chairman)	Paul Martinelli
Randall Anderson	Deputy Robert Merrett
Chris Boden	Deputy Henry Pollard
Mark Bostock	William Pimlott
Deputy Roger Chadwick	Alderman Matthew Richardson
Dominic Christian	Sheriff & Alderman William Russell
Karina Dostalova	James de Sausmarez
Sheriff & Alderman Peter Estlin	Ian Seaton
Sophie Anne Fernandes	Deputy Philip Woodhouse
Alderman Timothy Hailes	Sir Mark Boleat (Ex-Officio Member)
Caroline Haines	Deputy Catherine McGuinness (Ex-Officio Member)
Michael Hudson	Andrew McMurtrie (Ex-Officio Member)
Deputy Clare James	Deputy Alastair Moss (Ex-Officio Member)
Gregory Lawrence	

In Attendance

Officers:

Peter Lisley	-	Assistant Town Clerk
Bob Roberts	-	Director of Communications
Peter Kane	-	Chamberlain
Caroline Al-Beyerty	-	Chamberlain's Department
Christopher Bell	-	Chamberlain's Department
Philip Gregory	-	Chamberlain's Department
Paul Wilkinson	-	City Surveyor
Sean Green	-	Chamberlain's Department

1. APOLOGIES

Apologies for absence were received from Nick Anstee, Nick Benstead Smith, Simon Duckworth, Chris Haywood, Tom Hoffman, Wendy Hyde, Oliver Lodge, Hugh Morris, Sir Michael Snyder and James Thompson.

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

Dominic Christian declared a non-pecuniary interest in respect of item 25 - Purchase of the Freehold of 20 & 21 Aldermanbury (City's Estate) - Chartered Insurance Institute, as he is a recent President of the Institute of Insurance of London. Mr Christian would therefore refrain from commenting or participating in any discussion or future vote on this item.

3. **MINUTES OF THE PREVIOUS MEETING**

RESOLVED – That the public minutes and non-public summary of the meeting held on 6th June 2017 be approved.

4. **OUTSTANDING ACTIONS FROM PREVIOUS MEETINGS**

The Committee considered a report of the Town Clerk which set out outstanding actions from previous meetings of the Committee. Members agreed that the following items could be removed as they had been actioned or were being followed up by the sub committees:

- Charities Pool Register
- Provisional Outturn (positive variances)
- Members' IT issues
- Electoral Services Team Budget
- Disaster Relief Donations
- Members' Financial Loss Allowance Scheme
- Christmas Donations

RESOLVED – That the report be noted.

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

The Committee considered 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.

Members noted that the IT Sub Committee had also met on 14th July 2017 and the Chairman (of the IT Sub Committee) advised that Members had considered the new General Data Protection Regulations and a new protocol for the website. Members noted that the next meeting of the Finance Committee would receive the full set of minutes from this meeting.

RESOLVED – That the report be noted.

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

The Committee noted the draft public minutes and non-public summary of the following Sub-Committee meetings:

- Corporate Asset Sub-Committee held on 18 July 2017.
- Information Technology Sub-Committee held on 26 May 2017.

7. **2016/17 CITY FUND AND PENSION FUND AND BRIDGE HOUSE ESTATES FINANCIAL STATEMENTS**

Members considered a report of the Chamberlain and the External Auditors in respect of the 2016/17 City Fund, Pension Fund, and Bridge House Estates Financial Statements. The Chairman had agreed to accept an urgent item of Business in respect of the Bridge House Estates Statement of Accounts 2016/17, as they had been prepared 2/3 months ahead of schedule. The documents had been emailed and tabled for Members, along with the draft minute from the Audit and Risk Management Committee, which had met the previous day. This draft minute summarised the discussion and recommended that the Finance Committee approve the 2016/17 City Fund, Pension Fund, and Bridge House Estates accounts.

In addition to the questions raised at the Audit and Risk Management Committee, Members noted that the Actuarial update on market valuations could be provided before the next pension fund valuation. The Chamberlain offered to re-circulate the Actuarial report which had been presented to the Investment Committee.

The Chairman commended officers and auditors on the early and accurate production of both set of accounts.

RESOLVED, that :

1. The comments and recommendations of the Audit and Risk Management Committee in respect of BDO's reports on the City Fund and Pension Fund be noted and the City Fund and Pension Fund Financial Statements for the year ended 31 March 2017 be approved.

2. Authority be delegated to the Town Clerk, in consultation with the Chairman and Deputy Chairman of the Finance Committee, to approve any material changes to the financial statements required before the signing of the audit opinion by BDO - which is expected to be by the end of August or early September. *(NB. Any material changes will be circulated to Members of the Audit and Risk Management and Finance Committees)*

3. The comments and recommendations of the Audit and Risk Management Committee in respect of Moore Stephens reports on Bridge House Estates be noted and the Bridge House Estates Financial Statements for the year ended 31 March 2017 be approved.

2. Authority be delegated to the Town Clerk, in consultation with the Chairman and Deputy Chairman of the Finance Committee, to approve any material changes to the financial statements required before the signing of the audit opinion by Moore Stephens - which is expected to be in mid- September. *(NB. Any material changes will be circulated to Members of the Audit and Risk Management and Finance Committees)*

8. **CHAMBERLAIN'S RISK REGISTER - FIRST QUARTER UPDATE**

The Committee received a report of the Chamberlain which provided updates regarding the top risks within the Departmental Risk Register. Members noted an error in that Corporate Risk 16 Information Security should be Red and not Amber, as set out in the report.

RESOLVED – That the report, with the above amendment, be noted.

9. **BUDGET MONITORING - QUARTERLY UPDATE**

The Committee received a report of the Chamberlain which provided the quarterly budget update.

RESOLVED – That the report be noted.

10. **CHAMBERLAIN'S BUSINESS PLAN – QUARTERLY UPDATE**

The Committee received a report of the Chamberlain which provided the quarterly business plan update.

RESOLVED – That the report be noted.

11. **CITY PROCUREMENT - QUARTERLY UPDATE**

The Committee received a report of the Chamberlain which provided the quarterly update on City procurement.

RESOLVED – That the report be noted.

12. **CENTRAL CONTINGENCIES**

The Committee received a report of the Chamberlain which provided an update on central contingencies.

RESOLVED – That the report be noted.

13. **CITY RE LTD - PERFORMANCE MONITORING**

The Committee received a report of the Chamberlain which provided a performance update on City Re Ltd.

RESOLVED – That the report be noted.

14. **DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**

The committee received a report of the Town Clerk in respect of a decision taken under urgency, in accordance with Standing Order 41(a), since the last meeting of the Committee.

Beech Street Property Uses – request for additional funding to explore options for the School and Cultural Hub in more detail.

Action taken:

(i) up to £50k was approved from the Finance Committee City's Cash contingency, to allow the City of London School for Girls to explore the options identified, including Exhibition Hall 2, in greater detail; and

(ii) up to £50k was approved from the Finance Committee City Fund contingency, to enable the Barbican Centre, on behalf of the Cultural Hub, to explore the potential use of Exhibition Hall 2 in greater detail, to align with aims and objectives of the Cultural Hub.

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

There were no questions.

16. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

The Chairman agreed to the admission of an item of urgent business in respect of the 2016/17 Bridge House Estates, which was considered and approved at Agenda Item 7.

17. EXCLUSION OF THE PUBLIC

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

Item No.	Paragraphs in Schedule 12A
16-24, 26, 27	3
25	1 and 3

18. NON-PUBLIC MINUTES OF THE PREVIOUS MEETING

The non-public minutes of the meeting held on 6 June 2017 were approved as an accurate record

19. OUTSTANDING ACTIONS FROM NON-PUBLIC MINUTES OF PREVIOUS MEETINGS

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

20. REPORT OF THE WORK OF THE SUB-COMMITTEES - NON-PUBLIC ISSUES

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

21. DRAFT NON-PUBLIC MINUTES OF SUB-COMMITTEES

The Committee noted the draft non-public minutes of the following Sub-Committee meetings:

- Corporate Asset Sub-Committee held on 18 July 2017
- Information Technology Sub-Committee held on 26 May 2017

22. **PROVISION OF A UNIFORM MANAGED SERVICE FOR THE CITY OF LONDON POLICE**

Members considered and approved a report of the Commissioner, City of London Police.

23. **ACTION AND KNOW FRAUD CENTRE - CONTRACT SERVICE BUDGET**

Members considered and approved a report of the Commissioner, City of London Police.

24. **CITY OF LONDON FREEMENS SCHOOL MAIN HOUSE (PHASE 2) - GATEWAY 4 - DETAILED OPTIONS APPRAISAL**

The committee considered and approved a report of the City Surveyor and Headmaster, City of London Freeman's School.

25. **PURCHASE OF THE FREEHOLD OF 20 & 21 ALDERMANBURY (CITY'S ESTATE) - CHARTERED INSURANCE INSTITUTE**

Members considered and approved a report of the City Surveyor.

26. **BRIDGE HOUSE ESTATES -21 LIME STREET - PURCHASE OF FREEHOLD DEVELOPMENT SITE - CONFIRMATION OF FINAL PRICE**

Members considered and approved a report of the City Surveyor.

27. **RISK REGISTER FOR BRIDGE HOUSE ESTATES**

Members considered and approved a report of the Chamberlain

28. **LONDON LOCAL GOVERNMENT PENSION SCHEME CIV LTD**

Members considered and approved a report of the Chamberlain

29. **WAIVERS ANNUAL REPORT 2016/17**

Members considered and approved a report of the Chamberlain.

30. **REPORT ON WAIVERS AT £50,000 AND OVER GRANTED SINCE THE LAST MEETING OF THE FINANCE COMMITTEE**

Members received a report of the Chamberlain.

RESOLVED, that the report be noted

31. **PROCUREMENT COMPLIANCE REVIEWS ANNUAL REPORT**

Members received a report of the Chamberlain

RESOLVED, that the report be noted

32. **PROVISION OF MANAGED PRINT AND DIGITAL SERVICES CONTRACT - PROCUREMENT - STAGES 1 & 2**

Members considered and approved a report of the Chamberlain.

33. **CORPORATE CATERING SERVICES PROCUREMENT - STAGE 1**
Members considered and approved a report of the Chamberlain.
34. **NON-PUBLIC DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**
The Committee noted a report of the Town Clerk detailing a non-public decision, taken under delegated authority, since the last meeting.
35. **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.
36. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**
There were no items of urgent business.

The meeting ended at 3.10 pm

Chairman

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