

## **FINANCE COMMITTEE**

**Tuesday, 21 November 2017**

**Draft Minutes** of the meeting of the Finance Committee held at Guildhall, EC2 on Tuesday, 21 November 2017 at 1.45 pm

### **Present**

#### **Members:**

Jeremy Mayhew (Chairman)  
Deputy Jamie Ingham Clark (Deputy  
Chairman)  
Randall Anderson  
Alderman Nick Anstee  
Nicholas Bensted-Smith  
Mark Bostock  
Dominic Christian  
Simon Duckworth  
Caroline Haines  
Deputy Tom Hoffman  
Deputy Wendy Hyde

Deputy Clare James  
Paul Martinelli  
Deputy Robert Merrett  
Hugh Morris  
Deputy Henry Pollard  
William Pimlott  
James de Sausmarez  
Deputy Philip Woodhouse  
Sir Mark Boleat (Ex-Officio Member)  
Deputy Catherine McGuinness (Ex-Officio  
Member)

#### **Officers:**

Peter Lisley	-	Assistant Town Clerk
Peter Kane	-	Chamberlain
Michael Cogher	-	Comptroller and City Solicitor
Paul Wilkinson	-	City Surveyor
Caroline Al-Beyerty	-	Chamberlain's Department
Christopher Bell	-	Chamberlain's Department
Philip Gregory	-	Chamberlain's Department
Carla-Maria Heath	-	Chamberlain's Department
Sean Green	-	Chamberlain's Department
Kate Limna	-	Chamberlain's Department

### **1. APOLOGIES**

Apologies for absence were received from Deputy Roger Chadwick, Alderman Peter Estlin, Sophie Anne Fernandes, Christopher Hayward, Michael Hudson, Oliver Lodge, Alderman William Russell and Deputy James Thomson.

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

Jamie Ingham Clark declared a non-pecuniary interest in respect of item 33 due to him being a Church Warden for St Lawrence Jewry.

3. **MINUTES OF THE PREVIOUS MEETING**

**RESOLVED** – That the public minutes of the meeting held on 12 September be approved as an accurate record.

4. **OUTSTANDING ACTIONS FROM PREVIOUS MEETINGS**

Members received a report of the Town Clerk which set out outstanding actions from previous meetings of the Committee. The following point was made.

The Chairman was keen to see progress on item 1, a report was due to be brought before Members at today's Committee and he hoped that further delays could be avoided.

**RESOLVED** – That members noted the report.

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

Members 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.

**RESOLVED** – that Members noted the report.

6. **MINUTES OF SUB-COMMITTEES**

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

- Corporate Asset Sub-Committee held on 5<sup>th</sup> October 2017 (Draft);
- Efficiency and Performance Sub-Committee held on 26<sup>th</sup> September 2017; and
- Information Technology Sub-Committee held on 18<sup>th</sup> September 2017 (Draft).

a) **Draft public minutes of the Information Technology Sub-Committee held on 18 September 2017**

**RESOLVED** – That the draft public minutes of the Information Technology Sub-Committee meeting held on 18 September 2017 were noted.

b) **Public minutes of the Efficiency and Performance Sub-Committee held on 26 September 2017**

**RESOLVED** – That the public minutes of the Efficiency & Performance Sub-Committee meeting held on 26 September 2017 were noted.

c) **Draft public minutes of the Corporate Asset Sub-Committee held on 5 October 2017**

**RESOLVED** – That the draft public minutes of the Corporate Assets Sub-Committee meeting held on 5<sup>th</sup> October 2017 were noted.

**7. CITY'S CASH FINANCIAL STATEMENTS - 2016/17**

Members received a Report of the Chamberlain on City Cash's Financial Statements for 2016/17. The following points were made.

A Member asked whether City Re could be located in London, but it was explained that the re-insurance expertise was located in the Channel Islands and was not available in London.

Separately, concerns were raised about the impact of Brexit on the rental property income stream (roughly 50% of total income). Officers reassured members that, so far, no noticeable drop had been detected, current analysis indicates a worst case estimate of a 15% drop.

**RESOLVED** – that Members;

- Considered the contents of the Audit Management Report issued by Moore Stephens LLP;
- Approved the City's Cash Financial Statements for the year ended 31 March 2017, taking account of any observations from the Audit and Risk Management Committee; and
- Agreed that the Financial Statements are signed by the Chairman and Deputy Chairman of the Finance Committee on behalf of the Court of Common Council.

**8. BUSINESS PLAN HALF YEAR UPDATE**

Members received a Report of the Chamberlain on the Chamberlain's department Business Plan 2017/18.

**RESOLVED** – that Members noted the Report.

**9. HALF-YEARLY BUDGET MONITORING REPORT**

Members received a Report of the Chamberlain on budget monitoring for quarter two. The following points were made.

The Chamberlain highlighted the two key causes of the deterioration of the year end forecast – the Police budget deficit and unexpected costs borne by the City Surveyor.

The Chairman stressed that he was most concerned about the variance the Police are forecasting; he appreciated the need to support the Police and recognised the demands under which they operate, but reiterated that the key issue for the Finance Committee was ensuring that CoLP returns robust and reliable forecasts.

The Chairman and Chamberlain will meet with the Police Committee Chairman, and Commissioner soon to discuss these and other issues.

**RESOLVED** – that Members noted the Report

**10. RISK MANAGEMENT - QUARTERLY UPDATE**

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

The Deputy Chairman noted that IT Service Provision was considered a red risk – it was natural caution that delayed the reduction to amber, with the final decommission of aged and vulnerable equipment due at the end of 2017, it was anticipated that the risk would be reduced to amber in early 2018 and green later in the year.

A Member queried the level of security outlook offered with regards to the Committee agenda packs. Other organisations in both the public and private sectors used the Egress data transfer service; this was considered a more secure platform than Outlook and should be examined by officers in both the Town Clerk's and Chamberlain's departments.

**RESOLVED** – that Members noted the report.

**11. FINANCIAL SERVICES DIVISION - QUARTERLY UPDATE**

Members received a Report of the Chamberlain providing a quarterly update for the Financial Services Division.

**RESOLVED** – that Members noted the Report.

**12. FINANCE COMMITTEE CONTINGENCIES**

Members received a Report of the Chamberlain which provided Members with information regarding the current balance of the Finance Committee Contingency Funds for the current year.

**RESOLVED** – that Members noted the report.

**13. TENDER FOR EXTERNAL AUDITOR**

Members received a Report of the Chamberlain about the procurement process so far followed, and the route to appointing the external auditor for the City Fund and Pension Fund by 31 December 2017. The following point was made.

The Chairman confirmed that a recommendation of an auditor had been made, but its identity remained confidential until Court of Common Council on 7<sup>th</sup> December.

**RESOLVED** – that Members noted the Report.

**14. DISCRETIONARY COUNCIL TAX DISCOUNTS AND EXEMPTIONS**

Members received a Report of the Chamberlain regarding the Discretionary Council Tax discounts and exemptions.

**RESOLVED** – Members approved the following;

- Agreed that, from the financial year 2017/18, 100% discretionary discounts be awarded to care leavers within the City up to the age of 25 under Section 13A of the Local Government Finance Act 1992, subject to liability considerations;
- Agreed from the financial year 2017/18, to award discretionary discounts under Section 13A of the Local Government Finance Act 1992 to provide Council Tax Support (CTS) in exceptional circumstances as set out in paragraphs 16 to 19;
- Delegated authority to the Chamberlain to administer the discounts.

**15. ANNUAL ON-STREET PARKING ACCOUNTS 2016-17 AND RELATED FUNDING OF HIGHWAY IMPROVEMENTS AND SCHEMES**

Members received a Report of the Chamberlain about the annual on-street parking accounts 2016/17.

**RESOLVED** – that Members noted the Report.

**16. 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 Order 41(b). The decision related to the Donation to the British Red Cross – Myanmar Appeal, via the Finance Committee City Cash Contingency Fund, taken under delegated authority.

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

**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.

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

The non-public minutes of the meeting held on 12<sup>th</sup> September were approved as an accurate record.

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

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

**RESOLVED** – that Members noted the Report.

22. **REPORT OF THE WORK OF THE SUB-COMMITTEES - NON-PUBLIC ISSUES**

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

23. **NON-PUBLIC MINUTES OF SUB-COMMITTEES**

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

- Corporate Asset Sub-Committee held on 5<sup>th</sup> October 2017 (Draft);
- Efficiency and Performance Sub-Committee held on 26<sup>th</sup> September 2017; and;
- Information Technology Sub-Committee held on 18<sup>th</sup> September 2017 (Draft).

a) **Draft non-public minutes of the Information Technology Sub-Committee held on 18 September 2017**

The non-public draft minutes of the Information Technology Sub-Committee meeting held on 18<sup>th</sup> September were noted.

b) **Non-public minutes of the Efficiency and Performance Sub-Committee held on 26 September 2017**

The non-public minutes of the Efficiency & Performance Sub-Committee meeting held on 26 September were noted.

c) **Draft non-public minutes of the Corporate Asset Sub-Committee held on 5 October 2017**

The non-public draft minutes of the Corporate Asset Sub-Committee meeting held on 5<sup>th</sup> October were noted.

24. **PROCUREMENT WAIVERS APPROVED SINCE THE LAST MEETING**

Members received a Report of the Chamberlain.

25. **IT NETWORK TRANSFORMATION PROGRAMME - LOCAL AREA NETWORK REFRESH - GATEWAY 5**

Members received a Report of the Chamberlain.

26. **ENERGY BUYING SERVICES**

Members received a Report of the Chamberlain and the City Surveyor.

27. **GUILDHALL COMPLEX - UPDATE FINANCE REPORT**  
Members received a Report of the City Surveyor.
28. **WRITE-OFF - EAGLE CARGO SERVICES LTD**  
Members received a Report of the Director of Markets and Consumer Protection.
29. **SALE OF 193 FLEET STREET, EC4**  
Members received a Report of the City Surveyor.
30. **CIPFA - REQUEST FOR A LOAN**  
Members received a late report of the Chamberlain.
31. **CENTRAL LONDON WORK HEALTH PROGRAMME: PROCUREMENT STAGE 3 TENDER REPORT**  
Members received a Report of the Chamberlain.
32. **ANNUAL ALLOWANCE - VOLUNTARY SCHEME PAYS OPTION**  
Members received a Report of the Chamberlain.
33. **ST LAWRENCE JEWRY CHURCH - REPORT**  
Members received a Report of the City Surveyor.
34. **NON-PUBLIC DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**  
Members received a report of the Town Clerk.
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**  
Members received an item of non-public urgent business relating to 143 New Bond Street.

**The meeting ended at 3.30 pm**

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Chairman

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