

## **FINANCE COMMITTEE**

**Tuesday, 23 January 2018**

Draft Minutes of the meeting of the Finance Committee held at Guildhall, EC2 on  
Tuesday, 23 January 2018 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  
Deputy Roger Chadwick  
Karina Dostalova  
Alderman Peter Estlin  
Sheriff & Alderman Timothy Hailes  
Caroline Haines  
Christopher Hayward

Deputy Tom Hoffman  
Michael Hudson  
Deputy Wendy Hyde  
Paul Martinelli  
Deputy Robert Merrett  
Hugh Morris  
William Pimlott  
Alderman William Russell  
Ian Seaton  
Deputy Catherine McGuinness (Ex-Officio  
Member)  
Andrew McMurtrie (Ex-Officio Member)

#### **Officers:**

Peter Lisley	-	Assistant Town Clerk
John Cater	-	Town Clerk's Department
Simon Latham	-	Town Clerk's Department
Peter Kane	-	Chamberlain
Caroline Al-Beyerty	-	Chamberlain's Department
Christopher Bell	-	Chamberlain's Department
Philip Gregory	-	Chamberlain's Department
Sean Green	-	Chamberlain's Department
Michael Cogher	-	Comptroller and City Solicitor
Paul Wilkinson	-	City Surveyor
David Farnsworth	-	Town Clerk's
Karen Atkinson	-	Chamberlain's Department

### **1. APOLOGIES**

Apologies for absence were received from Dominic Christian, Simon Duckworth, Deputy Clare James, Tim Levene, Oliver Lodge, Deputy Henry Pollard, James de Sausmarez, Sir Michael Snyder, Deputy Philip Woodhouse and Sir Mark Boleat.

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

There were no declarations of interest.

3. **MINUTES OF THE PREVIOUS MEETING**

**RESOLVED** – That the public minutes of the meeting held on Tuesday, 12 December 2017, 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.

*Item 1: Departments being charged for their use of the Comptroller's Department's services*

The Chairman expressed his disappointment at the length of time it was taking officers to return to the Committee with a Report on proposals for an internal charging mechanism for legal services. Officers reassured Members that a Report would be submitted to the Finance Committee February meeting (20<sup>th</sup>).

*Item 2: Risk Management*

The Chairman and Deputy Chairman proposed that the discussion around risk management (concerning the level of security Microsoft Outlook offered, with regards to distribution of the agenda packs) would be better explored by the Information Technology Sub Committee. The Sub Committee next meets on 9<sup>th</sup> February.

*Item 3: Committee's Terms of Reference*

The Town Clerk and the Chairman confirmed that action was being taken, and it was anticipated that revised Terms of Reference for The Finance Committee, would be submitted in good time to Policy & Resources Committee in March, and, then to The Court of Common Council for final approval.

*Item 4: Draft Departmental Business Plans 2018/19 – full alignment with draft outcomes of the Corporate Plan*

Officers confirmed that this had been communicated to departments and it will be emphasised going forward.

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

5. **BRIDGE HOUSE ESTATES - STRATEGIC REVIEW FUND**

Members considered a Report of the Chamberlain and the Chief Grants Officer, concerning the establishment of a Bridge House Estates Strategic Review Fund.

**RESOLVED** – that Members approved the following:

- Agreed the creation of the BHE Strategic Review Fund, totalling up to £1m;

- Agreed the governance arrangements for the approval of bids against the above Fund, whereby delegation is given to the Town Clerk in consultation with the Committee Chairman of Policy & Resources, Finance, Investment, and City Bridge Trust, in consultation with the Chief Grants Officer and Deputy Chamberlain.

6. **CITY BRIDGE TRUST - PROPOSED REVENUE BUDGET 2018/19**

Members considered a Report of The Chamberlain and The Town Clerk, concerning City Bridge Trust's Proposed Revenue Budget for 2018/19.

**RESOLVED** – That Members approved the following:

- approve the 2018/19 budget
- authorised the Chamberlain to revise these budgets to allow for any necessary realignment of funds resulting from corporate projects.

7. **BENEFITS IN KIND REPORTING**

Members considered a Report of the Chief Grants Officer, concerning benefits in kind (BIK), that are provided to external organisations.

The Chairman expressed his concerns that the Corporation had, historically, not been sufficiently diligent reviewing the benefits in kind granted to external parties; too often, once a benefit was granted, it remained in perpetuity with little oversight or review. The Chief Grants Officer suggested that the Proposed Corporate Policy (in the Report) would address the Chairman's concerns.

**RESOLVED** – That Members approved the following:

- To agree the revised BIK definition;
- To agree the proposed BIK policy to guide decisions approving BIK be adopted by the CoLC with effect from 1st April 2018.

8. **REVISED FINANCIAL REGULATIONS**

Members considered a Report of The Chamberlain, concerning the revised Financial Regulations.

**RESOLVED** – That Members approved the following:

- Approved the updated Financial Regulations.
- Noted the incorporation of Financial Regulations Part 2 into the Finance Manual.
- Delegated to the Chamberlain the updating of future amendments to the Financial Regulations where they relate to changes in officer responsibilities because of restructuring or a job title change and to update links to new document locations, where appropriate.

- Delegated authority to the Comptroller and City Solicitor to agree new standard clauses for indemnities and update the Financial Regulations appropriately.

**9. RISK MANAGEMENT - TOP RISKS**

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

The Deputy Chairman (who also serves as Chairman of the Information Technology Sub Committee) said that he anticipated CR19 (IT Security Provision) was on course to be reduced from amber to green by the end of 2018. A reduction to amber for CR16 was dependent on the full introduction of The General Data Protection Regulation (GDPR), which should happen at the end of April. A further reduction to green could be achieved by July.

Members were concerned that despite the efforts of the Chairman of Finance and senior Officers, CR23 (City of London Police Funding) looked as if it was really red. One Member queried whether the Deloitte Review was another case of “simply re-adjusting the deck chairs”, whilst another questioned whether the level of efficiencies proposed were realistic. In response, the Chairman stressed that considerable progress had been made; however, there remained a great deal of work to do; “the essence of the message was that COLP was being given a year to implement the next stage of the Deloitte findings and, in the meantime, the obligation on the Police (to achieve the 2% efficiency target) was no different to any other department across the Corporation”.

The Chairman and the Chamberlain reassured Members that City officers were working closely with the Police to close the gap; the Police had committed to the Transformation Programme and would collaborate fully with the Chamberlain and others to realise those changes. However, the current outlook was unsustainable in the long run; the variances in the COLP dwarfed those of other departments across the Corporation; the longer-term risk was therefore red (CR23 is classified as amber but it is limited to 2018/19 Financial Year only). The Chairman emphasised that a successful implementation of the findings in the Deloitte Report could address the problem.

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

**10. CENTRAL CONTINGENCIES**

Members received a report of the Chamberlain, updating Members on Central Contingencies.

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

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

There were no questions.

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

There were no urgent items.

13. **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.
14. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**  
The non-public minutes of the meeting held on 12 December were approved as an accurate record.
15. **OUTSTANDING ACTIONS FROM NON-PUBLIC MINUTES OF PREVIOUS MEETINGS**  
Members noted a report of the Town Clerk which set out outstanding actions from previous non-public minutes of the Committee.
16. **21 NEW STREET FOR CITY OF LONDON POLICE**  
Members considered a Report of The Chamberlain, The Commissioner of the City of London Police, and The City Surveyor.
17. **PROVISION OF A UNIFORM MANAGED SERVICE FOR CITY OF LONDON POLICE**  
Members considered a Report of the Chamberlain.
18. **FORMATION OF A RESERVE FOR THE GUILDHALL SCHOOL OF MUSIC AND DRAMA**  
Members considered a Report of The Chamberlain and the Principal of the Guildhall School for Music and Drama.
19. **ANNUAL REVIEW OF CORPORATE PURCHASE CARD HOLDERS AND CREDIT LIMITS**  
Members received a Report of The Chamberlain.
20. **CITY'S ESTATE - ANNUAL STRATEGY UPDATE**  
Members received a Report of The City Surveyor.
21. **BRIDGE HOUSE ESTATES - ANNUAL STRATEGY UPDATE**  
Members received a Report of The City Surveyor.
22. **STRATEGIC PROPERTY ESTATE - ANNUAL UPDATE**  
Members received a Report of The City Surveyor.
23. **NON-PUBLIC DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**  
Members noted a report of the Town Clerk detailing one non-public decision, since the last meeting, taken under delegated authority procedures.

**24. 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.

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

Members considered an item of urgent business relating to a Head of Security at the Guildhall Complex.

**The meeting ended at 2.55 pm**

-----  
Chairman

**Contact Officer: John Cater  
tel. no.: 020 7332 1407  
[john.cater@cityoflondon.gov.uk](mailto:john.cater@cityoflondon.gov.uk)**