

<b>Committee:</b> Policy and Resources	<b>Date:</b> 15 March 2018
<b>Subject:</b> Committee Terms of Reference and Compositions	<b>Public</b>
<b>Report of:</b> Town Clerk	<b>For Decision</b>
<b>Report Author:</b> Angela Roach, Principal Committee and Members Services Manager	

### **Summary**

1. The Policy and Resources Committee is responsible for the City Corporation's governance arrangements including composition and terms of reference of committees. As a consequence, any material changes need to be considered by this Committee prior to them being considered by the Court of Common Council in April each year. All Committees are required to review their terms of reference on an annual basis.
2. In terms of this Committee's terms of reference, whilst no change has been made since they were last considered, a copy of the Committee's current constitution and terms of reference is attached for your information as Appendix 1. This report focuses on the changes suggested by other committees which are of a material nature. The report does not cover minor changes such as the insertion of certain words for greater clarity.
3. The following Committees have proposed amendments to their composition, terms of reference and/or governance arrangements.
  - Audit and Risk Management Committee
  - City Bridge Trust
  - Culture Heritage and Libraries Committee
  - Finance Committee
  - Investment Committee
  - Markets Committee
  - Port Health and Environmental Services Committee

Details of the proposed amendments are set out in the body of this report and in the attached appendices.

### **Recommendations**

4. It is recommended that, subject to any comments made this day, no change be made to the composition and terms of reference of this Committee and that in respect of other Committees, consideration be given to the following: -

- the appointment of an additional Member to serve on the Audit and Risk Management Committee, in order to widen the pool of Members who might be interested in serving as Deputy Chairman and Chairman;
- the election a second Deputy Chairman of the Audit and Risk Management Committee from amongst its external Members and, if supported, the approval of the Court of Common Council be sought to Standing Order No. 30 being amended to reflect this;
- up to two external persons being co-opted by the City Bridge Trust with relevant experience and skills, selected through a fair and transparent process determined by the Committee; and
- the amendments to the terms of reference of the City Bridge Trust, Culture, Heritage and Libraries, Finance, Markets and Investment Committees as set out in the report and in the relevant appendices. It being noted that as with changes to the composition of committees, the proposed changes to terms of reference are subject to the approval of the Court of Common Council.

## **Main Report**

### **Background**

5. The Policy and Resources Committee is responsible for the City Corporation's governance arrangements which, amongst other things, include committees. Any material changes to committee constitutions or terms of reference therefore need to be considered by this Committee prior to them being considered by the Court of Common Council in April.
6. As far as this Committee is concerned no change has been made to its constitution or terms of reference since they were last considered. Whilst a copy of the Committee's constitution, membership (which is subject to change from April 2018) and terms of reference is attached as Appendix 1 for consideration, this report focuses on the changes suggested by other committees which are of a material nature. It does not cover minor changes such as the insertion of certain words for greater clarity.

### **Audit and Risk Management Committee (A&RMC)**

7. As part of its deliberations, the Audit and Risk Management Committee (A&RMC) considered whether external Members could serve as Chairman or Deputy Chairman of the Committee. It accepted that non-Court Members were unable to address the Court of Common Council and that, in accordance with the provisions of the Local Government and Housing Act 1989, external Members had no voting rights. However, the A&RMC felt that, given the valued role of its external Members, consideration should be given to the election a second Deputy Chairman from amongst its external Members. In addition, the Committee has also proposed that its membership is increased by one Member in order to widen the pool of Members who

might be interested in serving as Deputy Chairman and Chairman as set out in Appendix 2.

## City Bridge Trust (CBT)

8. The CBT is recommending that its terms of reference is updated to reflect the wider remit it now has under the Bridging Divides Strategy. The CBT is recommending that its constitution and terms of reference be as follows (Appendix 3):-

1. **Constitution**

A Non-Ward Committee consisting of:

- two Aldermen nominated by the Court of Aldermen
- 12 Commoners elected by the Court of Common Council, at least one of whom shall have fewer than five years' service on the Court at the time of their appointment
- the Right Honourable the Lord Mayor (ex-officio)
- ***up to two external persons co-opted by the Committee with relevant experience and skills, selected through a fair and transparent process determined by the Committee***

2. **Quorum**

The quorum consists of any five ***elected*** Members ***of the Court of Common Council.***

4. **Terms of Reference**

A.(a) ~~In accordance with To determine all applications for grants pursuant to the Cy Pres Scheme for the administration of the eCharity known as the Bridge House Estates (1035628) made by the Charity Commissioners on 9 February 1995 (as amended) and brought into effect by the Charities (The Bridge House Estates) Order 1995 as respects the following purposes: -~~

- (i) in or towards the provision of transport and access to it for elderly or disabled people in the Greater London area, and
- (ii) for other charitable purposes for the general benefit of the inhabitants of Greater London;

***a) to determine the application of all funds allocated by the Court of Common Council for the City of London Corporation as trustee of the charity in accordance with the policy settled by the Common Council for those purposes, other than grants funding above a sum of £500,000 which decisions are reserved to the Court of Common Council upon this Committee's recommendation;***

~~(b) Subject to the terms of the CyPres Scheme and criteria as to the eligibility and treatment of applications specified from time to time by the Court of Common Council.~~

**(b)** (i) to review the ~~criteria~~ **policy** referred to above, ***in so doing to undertake consultation with appropriate persons as required under the Order of the Charity Commissioners for the administration of the charity dated 10 July 1997***, and to make recommendations to the Court of Common Council for changes ~~thereto~~ **to that policy or in settling a new policy**;

**(c)** to determine **terms**, conditions and other requirements to be imposed ~~in connection~~ ***in applying the charity's funds in accordance with the policy***; with grants that are approved;

~~(iii) in considering the application of surplus income in accordance with clause 2 of the said Scheme, the Trustee shall consult with such person, bodies corporate, local authorities, government departments and agencies, charities, voluntary organisations and other bodies as the Trustee may think appropriate from time to time; and~~

**(d)** to review, as necessary, the amounts, nature and spread of ~~grants~~ **fundings** approved or refused ***by way of grants or otherwise applied under the policy***, and the operation of administrative arrangements for the Scheme.

- B. To be involved in the process for the appointment of the Chief Grants Officer, as appropriate.

### **Culture Heritage and Libraries Committee (CH&LC)**

9. In reviewing its terms on reference, the CH&LC was keen for it to continue to be involved with the appointment of certain senior officers, namely, the Director of Open Spaces, the Director of Community and Children's Services and the Assistant Town Clerk and Culture Mile Director, the CH&LC has therefore recommended that the following be added to its terms of reference as set out below and in Appendix 4 of the report:-

***(n) the appointment of the Directors of Open Spaces, Community and Children's Services and the Assistant Town Clerk and Culture Mile Director (in consultation with the Open Spaces and City Gardens, Community and Children's Services and Establishment Committees).***

### **Finance Committee**

10. Having reviewed its terms of reference, the Finance Committee has suggested a number of amendments. These involve making the Committee's role in making recommendations to the Court of Common Council regarding the audited accounts, the City Corporation's budget, the capital programme and on non-domestic rates and Council Tax and the appointment of the Chamberlain more prominent through moving those clauses higher in the order of the overall terms of reference (from point (j) to point (b)), and clarifies the Finance Committee's duties in relation to value for money as well as the work of that Committee's Sub-Committees. The proposals are highlighted below (in bold italic) (and in Appendix 5):-

**(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;**

(e) obtaining value for money in all aspects of the City of London Corporation's **contracts, and in the City of London Police** activities;

(l) **Information Technology**

~~developing and implementing IT strategies to support the business needs of the City of London Corporation; and~~

11. Please see Appendix 5 for the full descriptions of the work of the Finance Committee's Sub-Committees.

### **Investment Committee**

12. Having reviewed its terms of reference, the Investment Committee was keen for reference to be made to the Committee's responsibility for considering risk profile and the adherence of fund managers. It was subsequently agreed to recommend that its terms of reference be amended as follows (also see Appendix 6):-

Terms of Reference

(a) To be responsible for the strategic oversight and monitoring of the performance, **risk profile and adherence of fund managers** of all of the City of London Corporation's investments, in accordance with the investment strategy determined by the Policy & Resources Committee.

**(b) To monitor and oversee the performance of the Sir William Coxen Trust Fund's (206936) investments and the investment fund manager, and to report back and provide relevant advice to the trustees.**

(c) To fulfil (a) **and (b)** above by means of the appointment of a Property Investment Board, a Financial Investment Board and a Social Investment Board responsible for property investments, financial investments and social investments respectively.

### **Markets Committee**

13. In reviewing its terms of reference, for reasons of clarity, the Market's Committee has suggested the following amendment (also see Appendix 7):-

- (a) oversight of the **provision and** management of all matters relating to Smithfield Market, Billingsgate Market and New Spitalfields Market and the letting of all premises therein.

### **Port Health and Environmental Services Committee (PHESC)**

14. In reviewing its terms of reference, the PHESC has suggested the following amendment to its terms of reference (see also Appendix 8):

- (a) all the City of London Corporation's environmental health, port health, animal health, consumer protection, licensing (with the exception of those which are in the province of another Committee), public conveniences, street cleansing, refuse collection and disposal, the street trading enforcement functions in the London Local Authorities Act 1990 including any decision as to whether the s.101 arrangements should be discontinued, and cemetery and crematorium functions;

15. This amendment is designed to allow City of London Corporation officers to take enforcement action against illegal street traders in the areas around City Corporation bridges through entering s.101 agreements with partner local authorities.

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