



## **Outside Bodies Sub (Policy and Resources) Committee**

**Date:** THURSDAY, 2 FEBRUARY 2017  
**Time:** 11.45 am  
**Venue:** COMMITTEE ROOMS, WEST WING, GUILDHALL

**Members:** Simon Duckworth (Chairman)  
James Tumbridge (Deputy Chairman)  
Deputy John Barker  
Mark Boleat  
Edward Lord  
Jeremy Mayhew  
John Scott  
Alderman Sir David Wootton

**Enquiries:** Philippa Sewell  
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**Lunch will be served in Guildhall Club at 1PM**  
**NB: Part of this meeting could be the subject of audio or video recording**

**John Barradell**  
**Town Clerk and Chief Executive**

# **AGENDA**

## **Part 1 - Public Agenda**

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES**  
To approve the public minutes of the meeting on 18 October 2016.  
**For Decision**  
(Pages 1 - 4)
4. **NOMINATION OF A GUARANTOR TO INNOVATE FINANCE'S NEW BOARD OF GUARANTORS**  
Report of the Director of Economic Development.  
**For Decision**  
(Pages 5 - 8)
5. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
6. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
7. **EXCLUSION OF THE PUBLIC**  
MOTION - That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A of the Local Government Act.

## **Part 2 - Non-Public Agenda**

8. **OUTSIDE BODIES SCHEDULE**  
To review the latest version of the Schedule of Outside Bodies.  
**For Decision**  
(Pages 9 - 44)
9. **OUTSIDE BODIES FRAMEWORK AND PROTOCOL**  
Report of the Town Clerk.  
**For Decision**  
(Pages 45 - 60)
10. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
11. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERED URGENT AND WHICH THE SUB-COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

## OUTSIDE BODIES SUB (POLICY AND RESOURCES) COMMITTEE

Tuesday, 18 October 2016

Minutes of the meeting of the Outside Bodies Sub (Policy and Resources) Committee held at Committee Rooms, West Wing, Guildhall on Tuesday, 18 October 2016 at 10.00 am

### Present

#### Members:

Simon Duckworth (Chairman)  
Deputy John Barker  
Jeremy Mayhew

John Scott  
James Tumbridge

### In Attendance

#### Officers:

Philippa Sewell - Town Clerk's Department

#### 1. APOLOGIES

Apologies were received from Alderman Sir David Wootton.

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

There were no declarations. Members queried whether appointments to Outside Bodies should be declared and the Chairman advised that these should be taken on a case by case basis, but in general they were Corporation appointments/nominations and therefore not conflicts of interest.

#### 3. TERMS OF REFERENCE

Members discussed the Terms of Reference and agreed that these should reflect not only the Sub-Committee's role in assessing the value of the connections with outside bodies and the work being undertaken by them but the appointed individuals' role, and should ensure the Sub-Committee retains oversight where the Corporation holds links to outside bodies but no nomination rights.

Members requested that the existing Outside Bodies Protocol be updated by officers and brought to the next meeting for review, and discussed the need for a mechanism for the work of outside bodies to be fed back to this Sub-Committee to enable Members to advise on applications for financial support,

**RESOLVED** – That the following amendments to the Sub-Committee's terms of reference be submitted to Policy & Resources Committee for approval:

To be responsible for overseeing the City Corporation's Outside Bodies Scheme, to include:-

- developing the Corporation's policy towards outside body appointments *and nominations*;

- keeping under review the effectiveness and appropriateness of the organisation's participation *with* individual bodies and *maintain oversight where the Corporation holds links to outside bodies but no nomination rights*;
- giving initial consideration to new requests from outside bodies for nominations;
- *advising the Court or relevant Committee as necessary on the needs and requirements of the outside body in respect of any vacancy or funding proposal; and*
- periodically reviewing the City Corporation's Outside Bodies protocol.

#### 4. **OUTSIDE BODIES SCHEDULE**

The Sub-Committee considered the schedule of Outside Bodies and reviewed them systematically, making the following points:

3. Heart of the City – be amended to reflect the appointment of the Chairman of the City Bridge Trust Committee to the Council of the Heart of the City.

13-15. City of London Academies – a forthcoming report to the Policy & Resources Committee was expected regarding appointment procedures.

16. Court of the City University – inclusion of the Lord Mayor's ex-officio role.

20. Christ's Hospital – the Town Clerk advised of additional vacancies, and undertook to query whether full Court were contacted regarding candidates for presentation.

22. Gresham College Council – the Chairman advised that appointments to the Council were currently being reviewed.

25. London Councils Audit Committee – the Sub-Committee agreed to remove this from the main schedule of outside bodies, but retain it on a separate list for continuing oversight.

28. London Councils Pensions CIV Sectoral Joint Committee – the Town Clerk undertook to research this appointment further.

30. Environmental Protection UK - the Town Clerk undertook to research these appointments further.

32. Wembley National Stadium Trust - the Sub-Committee agreed to remove this from the main schedule of outside bodies, but retain it on a separate list for continuing oversight.

36. Association of Police and Crime Commissioners – the Chairman confirmed there was only one appointment to the Board of Directors, and the Chairman of the Police Committee had a standing invitation to attend open meetings.

39. London & Partners – the Town Clerk to confirm whether this should be the appointment of the Chairman of Policy & Resources rather than Mr Boleat in his own right.

40. TheCityUK – Members advised that there were two representatives, and the Town Clerk undertook to research these appointments further.

41. International Regulatory Strategy Group – Members advised that there were two representatives.

51. Society for the Relief of the Homeless Poor - the Town Clerk undertook to research this appointment further.

53. City of London Archaeological Trust - the Town Clerk undertook to research this appointment further.

55. Thames Festival Trust – a Member suggested funding should be from the Economic Development Office rather than Policy & Resources Committee, and that this should be a Culture, Heritage and Libraries Committee appointment.

59. Capel Manor College - the Town Clerk undertook to research this appointment further.

**RESOLVED** – That:

- a) the schedule of Outside Bodies be updated; and
- b) the policy towards outside body appointments and nominations include provision for annual reports from the Members who participate in external bodies and for service committees' roles in nominations to relevant outside bodies.

**5. ST ANDREW HOLBORN AND STAFFORD CHARITIES**

The Sub-Committee considered a report of the Town Clerk regarding the proposed merger of the St Andrew Holborn Charity and Stafford's Charity.

**RESOLVED** – That consent be given to the proposed merger.

**6. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**

There were no questions.

**7. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT  
Election of Deputy Chairman**

The Sub-Committee resolved to elect James Tumbridge as Deputy Chairman.

**Spitalfields Market Community Trust**

The Chairman advised that a report regarding the Spitalfields Market Community Trust (SMCT) would be coming to the next meeting, and Members resolved that authority be delegated to the Town Clerk, in consultation with the Chairman and Deputy Chairman, to take any decisions regarding SMCT that might arise before the next meeting.

**Date of next meeting**

Members agreed that the next meeting be scheduled for late January/early February 2017.

8. **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 1 of Schedule 12A of the Local Government Act.

**Item**  
9-10

**Paragraph**  
-

9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**

There were no questions.

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

There was no other business.

**The meeting ended at 11.07 am**

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Chairman

**Contact Officer: Philippa Sewell**  
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**philippa.sewell@cityoflondon.gov.uk**

<b>Committee(s)</b>	<b>Dated:</b>
Outside Bodies Sub (Policy and Resources) Committee	02 February 2017
<b>Subject:</b> Nomination of a Guarantor to Innovate Finance’s new Board of Guarantors	<b>Public</b>
<b>Report of:</b> Damian Nussbaum, Director of Economic Development	<b>For Decision</b>
<b>Report author:</b> Peter Cunnane, Economic Development Office	

## Summary

On 30<sup>th</sup> November 2016, the executive Board of Innovate Finance approved a new governance model for that organisation. The City of London Corporation played a key role in advising and feeding back to the organisation during its governance review and the Chairman of Policy and Resources met three times with Innovate Finance to discuss this review.

Following Innovate Finance’s governance review and approval of a new governance model, the City Corporation has been invited to nominate a Guarantor and Co-Chair to Innovate Finance’s Board of Guarantors. This invitation was made in writing to the Chairman of Policy and Resources on 5<sup>th</sup> December 2016 by Innovate Finance CEO Lawrence Wintermeyer. Having regard to Alderman William Russell’s skills and experience, it is recommended that the City Corporation nominates Alderman Russell to this role.

This report also follows your Grand Committee’s approval of additional funding for Innovate Finance in September 2016 and support for FinTech.

## Recommendation

Members are asked to recommend to the Policy & Resources Committee that Alderman William Russell be nominated as Co-Chair of the new Board of Guarantors for Innovate Finance. It is expected that this appointment would come into effect shortly after Innovate Finance has updated its articles (which will require and is subject to the approval of Innovate Finance’s current company members) and other governing documents.

## **Main Report**

### **Background**

1. The City Corporation is Innovate Finance's lead sponsor, providing £1m over three years from 2014/15. Canary Wharf Group is also a founding sponsor, providing a total of £350,000 over three years including in-kind support in the form of an office base at Level 39. Following approval last September, your Committee agreed to an additional year's sponsorship of £350,000 from April 2017.

### **Current Position**

2. On 30<sup>th</sup> November 2016, the Executive Board of Innovate Finance approved a new governance model which seeks to secure the viability and financial stability of the organisation for years to come. The City Corporation played a key role in advising and feeding back to the organisation during its governance review and the Chairman of Policy and Resources met three times with Innovate Finance to discuss this review.
3. Following Innovate Finance's governance review and approval of a new governance model, the City Corporation has been invited to nominate a Guarantor and Co-Chair to Innovate Finance's Board of Guarantors. on behalf of the City Corporation. This invitation was made in writing to the Chairman of Policy and Resources on 5<sup>th</sup> December 2016. It is expected that Innovate Finance's governing documents and the City Corporation's Grant Agreement with Innovate Finance will be updated to reflect the new governance model by 1<sup>st</sup> April 2017.
4. This invitation reflects the City Corporation's role as lead sponsor of Innovate Finance as well as the support provided by the City Corporation for Innovate Finance's Policy Advisory Board (which has now been disbanded).
5. The recommendation that Alderman Russell is nominated to this position reflects Alderman's Russell's role as Chair of the FinTech Network Action Group (which the City Corporation co-runs with Innovate Finance and which is now recognised as a key component by HM Government with the supporting policy ecosystem for FinTech, complementary to both the Government's own FinTech Panel and FSTIB). It also reflects Alderman Russell previous participation in Innovate Finance's Policy Advisory Board (now defunct).



## **Options**

6. Your Sub Committee is recommended to endorse the nomination of Alderman Russell as Guarantor (and Co-Chair) of the Board of Guarantors for Innovate Finance.

## **Proposal**

7. Under the new organisation structure for Innovate Finance, a company limited by guarantee, the Guarantors are its company members. Innovate Finance has approved a new governance model which proposes that the Guarantors would be very senior individuals with proven reputations in the sector and influencers. They could come from anywhere in the world and they may also be the representatives of significant benevolent investors (such as the City of London Corporation). They would meet infrequently and have a limited number of responsibilities, namely:
  - Appointment and removal of the Executive Board Chair and members;
  - Holding the Chair of the Executive Board to account for the performance of the company;
  - Long term strategy setting;
  - Dispute resolution for Subscribers.
8. There would be no maximum number of Guarantors (this would be reviewed in three years), all would act as Co-Chairs and these would be appointed over the course of 2017, only assuming their power to appoint the Executive Board once fully established.
9. The Guarantors would meet twice a year, once in General Meeting with the Board and only convene in addition if their dispute resolution function was needed.
10. The Guarantors' responsibilities will be subject to the company's articles, which are due to be updated following the Executive Board's approval of the new governance model, that set out appointment and removal of the Guarantors themselves and terms of re-election. It is proposed that they would be appointed for three year terms and be allowed a further three years upon a vote.

## **Corporate & Strategic Implications**

11. Strengthening our participation in Innovate Finance ensures we are engaged with future policy development in the sector and also reinforces our links with the broader FinTech community and key institutions we expect will be represented on the Board of Guarantors.

## **Implications**

12. There are no financial implications to this decision.

## **Conclusion**

13. In light of last year's Brexit vote, it is imperative that we continue to engage with the FinTech community. Our relationship with Innovate Finance provides unique support for our own strategic objectives, both in the UK and overseas, in the development of policy and the promotion of the future of financial services, especially around London's place as a global hub for both technology and finance.

This opportunity also provides the City Corporation with an opportunity to participate in Innovate Finance and also the FinTech sector.

## **Appendices**

None

## **Background Papers**

Report to Policy & Resources Committee requesting approval for additional sponsorship to support Innovate Finance, September 2016

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