

FINANCE COMMITTEE

Tuesday, 11 May 2021

Draft Minutes of the meeting of the Finance Committee held virtually on Tuesday, 11 May 2021 at 1.45 pm

*This was an informal meeting. The views reached by the Committee were considered and the recommendations were approved formally by the Chamberlain after the meeting in accordance with the **Court of Common Council's Covid Approval Procedure**. This process reflects the current position in respect of the holding of formal Local Authority meetings and the Court of Common Council's decision of 15th April 2021 to continue with virtual meetings and take formal decisions through a delegation to the Town Clerk, and other officers nominated by him, after the informal meeting has taken place and the will of the Committee is known in open session.*

Present

Members:

Deputy Jamie Ingham Clark (Chairman)	Andrew McMurtrie
Jeremy Mayhew (Deputy Chairman)	Deputy Robert Merrett
Munsur Ali	Benjamin Murphy
Rehana Ameer	Susan Pearson
Randall Anderson	James de Sausmarez
Nicholas Bensted-Smith	Deputy John Scott
Henry Colthurst	Ian Seaton
Alderman Sir Peter Estlin	Sir Michael Snyder
Alderman Prem Goyal	Deputy James Thomson
Michael Hudson	Mark Wheatley
Alderman Robert Hughes-Penney	Deputy Philip Woodhouse
Deputy Wendy Hyde	Deputy Catherine McGuinness (Ex-Officio Member)
Deputy Clare James	Sheriff Christopher Hayward (Ex-Officio Member)
Tim Levene	Deputy Tom Sleigh (Ex-Officio Member)
Paul Martinelli	

Officers:

John Cater	- Committee Clerk
Caroline Al-Beyerty	- Chamberlain
Bob Roberts	- Director of Communications
Paul Wilkinson	- City Surveyor
Sonia Virdee	- Chamberlain's Department
Paul Chadha	- Comptroller & City Solicitor's Department
Paul Friend	- City Surveyor's Department
Sean Green	- Chamberlain's Department
Kate Limna	- Chamberlain's Department
Sanjay Odedra	- Communications Team

1. **APOLOGIES**

Apologies for absence were received from Graeme Doshi-Smith, Alderman Emma Edhem, Oliver Lodge, Hugh Morris, and William Pimlott.

On behalf of the Committee, the Chairman took the opportunity to thank the departing Members, Dominic Christian, Caroline Haines, Alderman Greg Jones, and Alderman Nicholas Lyons for their contributions during their time on the Committee.

The Chairman welcomed Henry Colthurst, Alderman Edhem, Alderman Hughes-Penney, and Alderman King on his return to the Committee.

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

There were no declarations of interest.

3. **VOTE-OF-THANKS**

Jamie Ingham Clark moved a vote of thanks to Jeremy Mayhew, the immediate past Chairman.

RESOLVED UNANIMOUSLY: That the Members of the Finance Committee express their sincere thanks to:

JEREMY MAYHEW

for the extremely able manner and good humour in which he has presided over their deliberations and the detailed attention and interest he has shown in all aspects of the work of the Finance Committee for the past five years.

Jeremy has overseen a challenging time for the Corporation's finances with reductions in Government funding, uncertain times for the British Economy and most recently the COVID pressures with significant income losses from our property investment portfolio and from the closure of many services.

He has ably overseen a Fundamental Review, realigning resources to the Corporation's priorities whilst making a 15% saving; and facilitated greater collaboration, working closely with the Policy Chair and Service Committee Chairman in the latest budget round, securing 12% savings.

If Jeremy were to have a tattoo on each arm, I'm sure it would be efficiency on the one and prioritisation on the other.

He has often told us that his instincts are to be a low tax politician. But in practice, his prudence is for a purpose. Jeremy's legacy is one of being tough on spending.... but with a heart - protecting services for the most vulnerable in our communities, such as rough sleeping and social care. He has been a strong advocate for the provision of support to our Academies and increased disaster relief funding, again helping those most in need. He was also

instrumental in re-focusing our investment in culture into the renewal of the Barbican Centre. In financing these plans, Jeremy led a working party delivering an award-winning private placement under a radical and innovative green and sustainable financing framework.

Jeremy has ensured that our medium-term financial plans can support the City's ambitious plans, including our three major projects: the relocation of the Museum of London, the combined courts facility and the consolidation of our markets on a single site in Barking. These projects will mean that the City is a safe, vibrant and thriving environment in which people, from all over the world, want to live, visit and work.

As Chairman, he has spearheaded a delegated approach to the Committee's sub committees - the engine room, allowing the grand committee to focus on the big strategic decisions, whilst maintaining appropriate Member oversight of IT, Procurement, Operational Properties and Efficiency and Performance.

Jeremy formed a formidable partnership with the late Chamberlain and has ensured that the City Corporation is placed to look positively to the future, with the excellent appointment of our new Chamberlain. And I have yet to find a Liam Byrne type letter, telling me that all the money has been spent. For which we can all be very grateful.

AND SO in taking leave of Jeremy Mayhew as their Chairman, Members of this Finance Committee wish to thank him for his service and excellent leadership of the City Corporation's financial affairs during this challenging period. The Committee gives to him their best wishes for his future health and happiness.

4. **MINUTES OF THE PREVIOUS MEETING**

RESOLVED – That the public minutes of the meetings held on Tuesday, 13th April and Thursday, 6th May be approved as accurate records.

5. **FINANCE COMMITTEE'S FORWARD PLAN**

The Committee received a Report of the Chamberlain concerning the Committee's workplan for the next eight months.

RESOLVED – That the Committee noted the Report.

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

The Committee considered a report of the Town Clerk which advised Members of the key public discussions which had taken place during a recent meeting of the Corporate Asset (Finance) Sub-Committee.

RESOLVED – That the Committee notes the report.

7. **APPOINTMENT OF SUB-COMMITTEES AND REPRESENTATIVES ON OTHER COMMITTEES**

The Committee considered a report of the Town Clerk regarding the composition and Terms of Reference of the Committee's Sub-Committees for

2021/22, the appointment of Members to those Sub-Committees and the appointment of representatives to a number of other City Corporation positions.

RESOLVED – that Members approved the following:

Terms of Reference and Composition

• Members agreed the composition and Terms of Reference of the following Sub Committees:

- Corporate Asset Sub Committee
- Digital Services Sub Committee
- Efficiency and Performance Sub Committee
- Finance Grants Oversight and Performance Sub Committee
- Procurement Sub-Committee

Appointments

• Members agreed to the Chairman and the Deputy Chairman of the Finance Committee being appointed to serve on the Sub-Committees and the following appointments as Chairmen and Deputy Chairmen of the respective Sub Committees:

Corporate Asset Sub Committee

- James De Sausmarez (Chairman)
- Shravan Joshi (Deputy Chairman, subject to Mr Joshi's appointment to CASC being confirmed at the May meeting of the Property Investment Board)

Digital Services Sub Committee

- Randall Anderson (Chairman)
- Alderman Sir Peter Estlin (Deputy Chairman)

Finance Grants Oversight and Performance Sub Committee

- Philip Woodhouse (Chairman)
- Paul Martinelli (Deputy Chairman)

Procurement Sub Committee

- Hugh Morris (Chairman)
- Robert Merrett (Deputy Chairman)

• Members noted that Jamie Ingham Clark would serve as Chairman and Jeremy Mayhew would serve as Deputy Chairman of the Efficiency and Performance Sub Committee.

• Members agreed to the following additional appointments of the respective Sub Committees:

Corporate Asset Sub Committee

- Randall Anderson
- Roger Chadwick
- Chris Hayward
- Michael Hudson
- Susan Pearson

Members also noted the appointment of Marianne Fredericks and Edward Lord representing Policy and Resources to serve on CASC in 2021/22. Property Investment Board representatives (including Mr Joshi) would be confirmed later in May.

Digital Services Sub Committee

- Rehana Ameer
- Roger Chadwick
- Alderman Prem Goyal

Members also noted the appointment of Dawn Wright by the Police Authority Board in April. Ms Wright will serve as the Special Interest Area Holder for PAB.

Efficiency and Performance Sub Committee

- Randall Anderson
- Roger Chadwick
- Henry Colthurst
- James De Sausmarez
- Alderman Emma Edhem
- Clare James
- Paul Martinelli
- Philip Woodhouse

Finance Grants Oversight & Performance Sub Committee

- Nick Bensted-Smith
- Roger Chadwick
- Henry Colthurst
- James De Sausmarez
- Michael Hudson
- Alderman King

Procurement Sub Committee

- Randall Anderson
- Roger Chadwick
- Michael Hudson
- Paul Martinelli
- Susan Pearson
- Philip Woodhouse

Appointments of Committee representatives to other Corporation positions

- Members agreed to the following appointments of representatives:

Establishment Committee (1):
Jeremy Mayhew

Barbican Centre Board (1):
Deputy Wendy Hyde

Project Sub Committee (2):
James De Sausmarez and Andrew McMurtrie

Streets and Walkways Sub Committee (1):
Paul Martinelli

Representative for informal consultations with the Court of Aldermen and the Policy and Resources Committee on Mayoralty and Shrievalty Allowances (1):
James De Sausmarez

- Members also noted that the Chairman and Deputy Chairman the Finance Committee will be Members of the Resource Allocation Sub (Policy and Resources) Committee.

Ex-officio Members of:

- Policy & Resources Committee
- Investment Committee
- Audit and Risk Management Committee
- Capital Buildings Committee
- Hospitality Working Party (Policy and Resources) and
- Financial Assistance Working Party

- In addition, Members noted that the Chairman (or his nominee) will be an ex-officio Members of the:

- Public Relations Sub Committee
- Resource, Risk & Estates (Police) Committee
- House Committee of the Guildhall Club
- Mayoral Visits Advisory Committee (Chairman only)

Members also agreed that the Committee should continue to meet “every fourth week on Tuesdays” with the exception of recess periods.

8. **RISK MANAGEMENT - TOP RISKS**

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

RESOLVED – That the Committee notes the report.

9. **BUSINESS PLAN UPDATE**

The Committee received a Report of the Chamberlain concerning the Business Plan.

RESOLVED – that the Committee notes the Report.

10. FSD QUARTERLY UPDATE

The Committee received a Report of the Chamberlain concerning the Financial Services Division.

In response to a query, the Chamberlain outlined her current responsibilities and those areas that are now under the remit of her colleagues in the Chamberlain's Department. These responsibilities were likely to change as the outcomes of the Target Operating Model and the Governance Review mature over the coming months.

In response to a separate query, the Chamberlain confirmed that a sum of approx. £792,000 had, so far, been allocated via the Corporation's Covid Recovery Fund. The number of approvals and the associated sums would be reported publicly.

Officers confirmed that, whilst Members were not directly involved in approving specific applications, a Member sounding board, which would provide Member input into the broad practicalities and direction of the Recovery Fund had been established.

RESOLVED – that the Committee noted the Report.

11. CENTRAL CONTINGENCIES

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

In response to a query concerning the Committee's International Disaster Fund, the Chairman highlighted the importance of what we can do to further amplify our donations and the ways in which we can encourage other organisations to donate.

The Chairman and the Director of Communications pointed out that we had established an eight point communications plan in order to try to maximise the impact of our donations in future. Additional work was also being undertaken by the team at Mansion House and the Communications Department to see what else we can do.

RESOLVED – That the Committee:

- Noted the Central Contingencies 2021/22 uncommitted balances and;
- Agreed to allocate a sum of £300,000 from City's Cash Contingency 2021/22 to top up the COVID Contingency for 2021/22.

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

There were no questions.

13. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no urgent items.

14. **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.

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

The non-public minutes of the meeting held on 13th April were approved as an accurate record.

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

The Committee considered a report of the Town Clerk which advised Members of the key non-public discussions which had taken place during a recent meeting of the Corporate Asset (Finance) Sub-Committee.

17. **INTEREST RATES ON INTERNAL LOAN REQUESTS - UPDATE & REVIEW**

The Committee considered a Report of the Chamberlain concerning the loan facility to the institutional departments and third-party bodies within the City of London Corporation 'family'.

18. **BISHOPSGATE POLICE STATION AND 21 NEW STREET**

The Committee considered a Report of the City Surveyor concerning Bishopsgate Police Station and 21 New Street.

19. **GLA ROADS - LAND DISPUTE WITH TRANSPORT FOR LONDON**

The Committee considered a Report of the Chamberlain concerning the land dispute with TfL.

20. **GREAT ARTHUR HOUSE - SERVICE CHARGE RECOVERY FOR REPLACEMENT OF CURTAIN WALLING**

This Report was withdrawn.

21. **NON-PUBLIC APPENDIX TO ITEM 11 (CONTINGENCIES)**

The Committee noted the non-public appendix to ITEM 11 (Central Contingencies).

22. **NON-PUBLIC DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**

The Committee noted a report of the Town Clerk detailing two non-public decisions taken under urgency procedures since the last meeting.

23. **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.

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

The Committee considered an item of urgent business.

The meeting ended at 3.15 pm

Chairman

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