

FINANCE COMMITTEE

Tuesday, 24 January 2023

Minutes of the meeting of the Finance Committee held at Guildhall, EC2 on Tuesday, 24 January 2023 at 12.45 pm

Present

Members:

Deputy Henry Colthurst (Chairman)
Deputy Randall Anderson (Deputy
Chairman)
Munsur Ali
Deputy Rehana Ameer
Nicholas Bensted-Smith
James Bromiley-Davis
Alderman Professor Emma Edhem
Alderman Sir Peter Estlin
Steve Goodman
Deputy Ann Holmes

Alderman Robert Hughes-Penney
Elizabeth Anne King
Alderman Tim Levene
Catherine McGuinness
Deputy Andrien Meyers
Eamonn Mullally
Paul Singh
Deputy Sir Michael Snyder
Mark Wheatley
Deputy Philip Woodhouse

Officers:

John Cater	- Committee Clerk
Caroline Al-Beyerty	- Chamberlain's Department
Michael Cogher	- Comptroller and City Solicitor
Paul Wilkinson	- City Surveyor
Neilesh Kakad	- Chamberlain's Department
Sonia Virdee	- Chamberlain's Department
Phil Black	- Chamberlain's Department

1. APOLOGIES

Apologies for absence were received from Shannan Bakth, Sophie Fernandes, Martha Grekos, Gregory Lawrence, Paul Martinelli, Nighat Qureishi, James Thomson, James Tumbridge, Christopher Hayward, and Keith Bottomley.

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 and non-public summary of the meeting held on 14th December 2022 be approved as an accurate record.

4. FINANCE COMMITTEE'S FORWARD PLAN

The Committee received a Report of the Chamberlain concerning the Committee's Forward Plan.

The Chamberlain confirmed that the next iteration of the Forward Plan would include the provisional agenda items for the following 12 meetings.

The Chamberlain confirmed that the February meeting agenda would include two additional Reports, of which the first would set out the data around the Corporation's use of consultants, and the second lay out the initial findings of the TOM Review in advance of the final Report after conclusion in summer 2023 of the TOM process.

The Chairman and the Chamberlain highlighted the limited amount of business due in March 2023 and proposed cancellation of the March Finance Committee which was endorsed by Members.

RESOLVED – that the Committee noted the Report.

5. ANNUAL REVIEW OF THE COMMITTEE'S TERMS OF REFERENCE

The Committee considered a Report of the Town Clerk concerning the Committee's Terms of Reference.

Given recent occasions when the Committee had come close to not meeting its quorum, the Chairman proposed reducing the quorum from nine Members to seven. Members endorsed this proposal and expressed concern that some meetings of the Committee in 2022 were not as well attended as they should have been. The Chairman thanked Members for their support and whilst echoing their concerns about overall attendance, pointed out that there had been mitigating circumstances on some occasions, most notably, the last meeting in December, which had coincided with a combination of a round of rail strikes and inclement weather.

Separately, the Chairman highlighted the Town Clerk's ongoing light-touch governance review and encouraged Members to provide suggestions to the Town Clerk for consideration. One of the Chairman's suggestions was to introduce a "formal twinning" arrangement for those Members who represented smaller wards. The result would, essentially, provide these Members with a proxy vote when they were unable to attend certain Committee meetings, reduce size of the Committee and improve attendance rates. Several Members raised views about "twinning", the Chairman suggested that any introduction of "twinning" would require the approval of Court, and so suggestions and comments would be better directed to the Town Clerk via the light-touch review process.

A Member expressed her concern that the current standing start time of the Committee (12.45pm) would result in diary clashes for Members who sat on other Committees which had meetings scheduled on the same day (e.g., Port Health & Environmental Services Committee, which had begun on the 24th January at 11am). Whilst reiterating his view that the 12.45pm start time offered greater flexibility for those Members who needed to return to their place of employment in the afternoon/attend other afternoon meetings, the Chairman

acknowledged these concerns and asked the Town Clerk to provide flexibility and early flagging of possible conflicts.

A Member asked that the Committee's Terms of Reference be amended once the proposed governance arrangements for the Financial Investment Board and the Property Investment Board were finalised in the spring.

RESOLVED – that the Committee approved the Terms of Reference with a reduction of the quorum from nine Members to seven and that provision be made to amend the Terms of Reference once the new governance arrangements for the Financial Investment Board and the Property Investment Board were finalised.

It was noted that the Terms of Reference of the Committee would be submitted, as usual, to the Court of Common Council for final approval in March

6. **2021-22 CITY'S CASH FINANCIAL STATEMENTS**

The Committee considered a Report of the Chamberlain concerning the 2021-22 City's Cash Financial Statements.

The Chairman and the Chamberlain encouraged Members to return their related party transaction disclosures, the Chamberlain's team would be following up with non-returnees over the coming days.

RESOLVED – that the Committee:

- Considered the contents of the Audit Management Report issued by Crowe UK LLP; and
- Considered the resolution from the Audit and Risk Management Committee and, if appropriate, approve the 2021/22 City's Cash Financial Statements, and the financial statements of each of the 10 consolidated charities, for the year ended 31 March 2022;
- Authorised the Chamberlain, in consultation with the Chairman and Deputy Chairman of Finance Committee, to approve any material changes to the statement of accounts and annual reports and financial statements required before the signing of the audit opinion by Crowe UK LLP – which is expected by the end of January for City's Cash consolidated financial statements, and for the consolidated charities.
- Authorised the Chairman and Deputy Chairman of the Finance Committee to approve and sign the City's Cash Financial Statements, and those of each of the 10 consolidated charities, on behalf of the Court of Common Council.

7. **SUNDRY TRUSTS ANNUAL REPORT AND FINANCIAL STATEMENTS 2021/22**

The Committee considered a Report of the Chamberlain concerning the Sundry Trusts Annual Report and Financial Statements 2021/22.

RESOLVED – that the Committee approved the annual reports of the 12 charities presented for the year ended 31 March 2022, for those charities where the Corporation is Trustee.

8. **CHAMBERLAIN'S DEPARTMENTAL RISK MANAGEMENT UPDATE**

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

Noting that CHB 001 (Chamberlain's department transformation and knowledge transfer) has now been escalated to a RED risk, the Chairman highlighted the hard work the Chamberlain and her team were putting in to ensure that the department was meeting its performance targets during this challenging time.

The Chamberlain added that, whilst vacancies had started to be filled and interim appointments were being made, the wider piece of work on transformation and cultural change still needed a great deal of work over the coming year and she would keep Members updated as to progress in this critical area.

RESOLVED – that the Committee noted the Report.

9. **CHAMBERLAIN'S BUSINESS PLAN - QUARTER 3 UPDATE**

The Committee noted a Report of the Chamberlain concerning the Departmental Business Plan.

RESOLVED – that the Committee noted the Report.

10. **REVENUE BUDGET MONITORING TO NOVEMBER 2022**

The Committee received a Report of the Chamberlain concerning revenue budget monitoring.

In response to a query, the Chamberlain noted that due to the underspending, the overall position is acceptable, and funds from the underspend would be directed toward the inflation contingencies. Departments, including the City Surveyors, were flagging problem areas but the aim was for these to be resolved sooner rather than later. The Surveyor highlighted several areas of budgetary pressure for this department but stressed that actions were currently being undertaken in an ongoing effort to alleviate these issues. It was hoped that the outlook would improve further into 2023.

Given the negative impact on its visitor numbers over the last three years as well as the cost of dealing with the bow wave in the building itself, the Chamberlain highlighted the current challenges and financial outlook for the Barbican Centre. She proposed that a deep dive review was undertaken by the Efficiency & Performance Working Party later in 2023.

RESOLVED – that the Committee noted the Report.

11. CENTRAL CONTINGENCIES 2022/23

The Committee 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 the Committee noted the Report.

12. REPORT OF PUBLIC ACTION TAKEN UNDER URGENCY OR DELEGATED AUTHORITY PROCEDURES SINCE THE LAST MEETING

The Committee received a Report of the Town Clerk which provided information of the public 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 Orders 41(a) and 41(b).

RESOLVED – that the Committee noted the Report.

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

Questions were raised as follows -

In response to a Member who asked officers to disclose the cost of complaints over the past year, the Chairman informed Members that this information was not yet available, but that officers should be able to provide more details at the February meeting.

14. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no urgent items.

15. 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.

16. NON-PUBLIC MINUTES OF THE PREVIOUS MEETING

RESOLVED – that the non-public minutes of the meeting held on 14th December 2022 were approved as an accurate record.

17. SALISBURY SQUARE DEVELOPMENT - CONTRACTOR ADVANCE PAYMENTS

The Committee considered a Report of the City Surveyor concerning the Salisbury Square Development.

18. **CITY'S ESTATE: DISPOSAL OF 50 GRESHAM STREET, LONDON EC2V 7AY**

The Committee considered a Report of the City Surveyor concerning the disposal of 50 Gresham Street.

19. **KEY INCOME COLLECTION UPDATE**

The Committee received a Report of the Chamberlain concerning key income collection.

20. **CENTRAL CONTINGENCIES 2022/23 (NON-PUBLIC APPENDIX)**

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

21. **REPORT OF NON-PUBLIC ACTION TAKEN UNDER URGENCY OR DELEGATED AUTHORITY PROCEDURES SINCE THE LAST MEETING**

The Committee considered a report of the Town Clerk which provided information of the non-public 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 Orders 41(a) and 41(b).

22. **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.

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

There was one item of urgent business; this was taken separately in a confidential section of the meeting.

The meeting ended at 2.05 pm

Chairman

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