

## FINANCE COMMITTEE

Tuesday, 18 April 2023

Minutes of the meeting of the Finance Committee held at Guildhall at 12.45 pm

### Present

#### Members:

Deputy Henry Colthurst (Chairman)	Alderman Robert Hughes-Penney
Deputy Randall Anderson (Deputy Chairman)	Alderwoman Susan Langley
Munsur Ali	Paul Martinelli
Deputy Rehana Ameer	Deputy Andrien Meyers
Emily Benn	Eamonn Mullally
Nicholas Bensted-Smith	Tom Sleigh
James Bromiley-Davis	Deputy James Thomson
Alderman Sir Peter Estlin	Mark Wheatley
Steve Goodman OBE	Deputy Philip Woodhouse
Deputy Madush Gupta	

#### Officers:

Ian Thomas	- Town Clerk & Chief Executive
Polly Dunn	- Town Clerks
Julie Mayer	- Town Clerks
Bob Roberts	- Director of Communications
Caroline Al-Beyerty	- Chamberlain & CFO
Emma Moore	- Chief Operating Officer
Mark Williams	- HR
Michael Cogher	- Comptroller and City Solicitor
Paul Wilkinson	- City Surveyor
Simon Owen	- Chamberlain's Department
Sonia Virdee	- Chamberlain's Department
Genine Whitehorne	- Chief Operating Officer's Department
Julia Megone	- Bridge House Estates
Joseph Anstee	- Bridge House Estates

#### 1. APOLOGIES

Apologies for absence were received from James Tumbridge, Wendy Hyde, Sophie Fernandes and Ann Holmes. Sophie Fernandes and Ann Holmes joined the meeting remotely.

#### 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 21<sup>st</sup> February 2023 be approved as an accurate record.

**Matters arising**

The Chairman asked for the corrected version of the cost of the independent complaints panel to be re-circulated to Members.

4. **DRAFT PUBLIC MINUTES OF SUB-COMMITTEES**

The Committee noted the draft public minutes and non-public summary of the following Operational Property and Projects Sub-Committee of 6<sup>th</sup> March 2023.

The Chair of this Sub Committee had no further updates.

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

The Chamberlain advised that May would be a particularly busy agenda and it might be necessary to reschedule some of the items. Members noted that doubtful debts would require agreement in May for inclusion in the final accounts.

The May meeting would also present a good opportunity to streamline some Finance Regulations in order to reduce administrative workload provided that Finance Committee could be assured that appropriate controls are in place. In turn, such approach would allow time to consider more radical changes in December 2023 which would align with other governance work.

6. **RISK MANAGEMENT - TOP RISKS**

The Committee received a report of the Chamberlain which provided updates regarding the top risks within the departmental risk register.

The Chamberlain advised that the report represented feedback from the last Committee in that the mitigations to both risks had been streamlined. Members noted that City Fund's fiscal sustainability had reduced from red to amber, to reflect the mitigations approved by the Court of Common Council in March 2023.

Members noted that City's Cash was being kept as red, until third party capital investment had been attracted to major projects, thereby removing pressure in this area. The Chairman suggested that use of third party investments would be a key driver over the forthcoming year. Also, as mentioned at the Court of Common Council, it would be essential for the City Corporation to tackle the bow wave, which had resulted from a historical lack of repairs and maintenance. The Chairman felt that the Finance Committee had an important role to play in this exercise, together with consideration of an incentive to encourage reduction of numbers of surplus properties. The Chairman added that City's Cash discretionary expenditure would benefit from review and asked Members to support a more robust position over the coming year to ensure value for money.

Members noted that they would receive an update on the staffing risk in the confidential part of this agenda.

RESOLVED, that – the report be noted.

**7. USE OF INTERIMS (CONSULTANTS)**

The Committee received a report of the Chief Operating Officer in respect of the use of Interims (Consultants).

A Member asked a question about the terminology used in respect of *'individuals bought in to do work for us'* and how they provide value for money. Members noted that this matter would also be considered at the Corporate Services Committee the following day. The Member asked what the City Corporation had learnt from such individuals, whether it would have been possible to do the work in house and suggested that the Finance Committee could undertake a review and lead by example in this area.

The Chamberlain referred to the Terms of Reference relevant to the Finance Committee and advised that it would be more appropriate for the relevant Chief Officers and Service Committees to seek this level of probity, noting that decisions below £100k are delegated to Chief Officers. However, any considerations in terms of achieving value for money should reasonably be scrutinised by the Finance Committee.

Members noted the various reasons as to why the City Corporation might employ consultants such as obtaining short term expertise, when it may not make sense for the City Corporation to employ or train an existing officer(s). This also assumed that the Member was referring to management consultants rather than investment advisors, valuers, and legal services firms, for example.

Members noted that the use of consultants is permitted within agreed staffing budgets but if there are no permanent staff members with the relevant skills set, then the value for money consideration would outweigh the economics. The Chamberlain also referred to the City Corporation's key risk areas and work underway in respect of the use of project management consultants on larger City Corporation Projects.

In concluding, the Chairman suggested that, whilst this matter warrants a further review in terms of value for money, it should not cut across the work of the Corporate Services Committee. The Chairman therefore suggested that a follow up be placed on the forward plan for a further report in October 2023.

RESOLVED, that – the controls being put in place regarding Interim Manager appointments from 1st May 2023 be noted and the Finance Committee receive a further report in terms of value for money in the use of management consultants in October 2023.

8. **DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**

The Town Clerk advised that no public urgent or delegated decisions had been taken since the last meeting of the Committee.

RESOLVED, that – the report be noted

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

There were no questions.

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

**Request for a Delegated Authority**

The Chairman advised of 4 sets of charity accounts, which were being finalised by the auditors, and would need to be signed off by the Chamberlain and the Chairman/Deputy Chairman of the Finance Committee.

Members noted that two of them had been circulated as part of the papers in January 2023 but CLS Bursary & Awards Fund and CLSG Bursary Fund were still being finalised. These audits were finally drawing to a close and officers requested that they be presented to the Audit and Risk Management Committee under Urgency for scrutiny, ahead of sign off by the Finance Committee.

RESOLVED, that – authority to sign off the above accounts be delegated to the Town Clerk, in consultation with the Chairman and Deputy Chairman of the Finance Committee.

**Governance Update**

The Town Clerk advised that, following approval by the Policy and Resources Committee in March 2023, the Annual Meeting of the Court of Common Council on 27<sup>th</sup> April 2023 will recommend that the Property Investment Board and the Financial Investment Board are merged to form one 'Grand' Committee, to be named 'the Investment Committee'. To ensure continuity in a critical period, it will also be recommended that those currently sitting on the two bodies carry over their Membership into 2023/24.

Initially, it had been proposed that Operational Property and Projects Sub Committee should cease to be a joint sub reporting both to the Finance and Policy and Resources Committees and simply become a sub of Finance. Whilst this approach was generally supported, it had been overtaken by a decision taken by the Policy and Resources Committee to commission a significant wider review into projects governance.

The reduction in quorum requested of 7 Members, down from 9, was supported.

11. **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.

<b>Item No.</b>	<b>Paragraphs in Schedule 12A</b>
12-20	3
21	1 & 2

12. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**  
The non-public minutes of the meeting held on 21<sup>st</sup> February 2023 were approved as an accurate record
13. **DRAFT NON-PUBLIC MINUTES OF SUB-COMMITTEES**
14. **MAJOR PROJECTS – HIGH LEVEL FORECASTS AND CASH FLOW**  
The Committee received a report and presentation of the Chamberlain.
15. **CITY'S ESTATE: DISPOSAL OF FREEHOLD OF 42 CONDUIT STREET W1**  
The Committee considered and approved a report of the City Surveyor.
16. **GETTING BEST VALUE FROM OUR LOW VALUE SPEND**  
The Committee considered and approved a report of the Chief Operating Officer.
17. **EVENTS MANAGEMENT CONTRACT AT TOWER BRIDGE**  
The Committee considered and approved a report of the Chief Operating Officer (Bridge House Estates).
18. **NON-PUBLIC DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**  
The Committee noted a report of the Town Clerk detailing a non-public decision taken under delegated authority and/or urgency procedures since the last meeting.
19. **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.
20. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**  
The Chairman agreed to admit the following items of urgent business:
21. **STAFFING UPDATE**  
The Committee received confidential report of the Chamberlain.

**The meeting ended at 2.10 pm**

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Chairman

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