

FINANCE COMMITTEE

Tuesday, 6 June 2023

Minutes of the meeting held at Guildhall at 12.45 pm

Present

Members:

Deputy Henry Colthurst (Chairman)	Steve Goodman OBE
Deputy Randall Anderson (Deputy Chairman)	Michael Hudson
Deputy Rehana Ameer	Alderman Robert Hughes-Penney
Shahnan Bakth	Elizabeth Anne King
Brendan Barns	Paul Martinelli
Emily Benn	Eamonn Mullally
James Bromiley-Davis	James Tumbridge
Alderman Professor Emma Edhem	Mark Wheatley
Alderman Sir Peter Estlin	Deputy Philip Woodhouse

Officers:

Ian Thomas	- Chief Executive and Town Clerk
Caroline Al-Beyerty	- Chamberlain's Department
Michael Cogher	- Comptroller and City Solicitor
Emma Moore	- Chief Operating Officer
Sonia Virdee	- Chamberlain's Department
Paul Wilkinson	- City Surveyor
Julie Mayer	- Town Clerks

1. APOLOGIES

Apologies for absence were received from Deputy Andrien Meyers, Deputy James Thomson, Deputy Christopher Hayward, Deputy Madush Gupta and Ben Murphy. Madush Gupta and Ben Murphy 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 summary of the meeting held on 16th May be approved as an accurate record.

Matters arising

The Chairman advised of the following Chairman's nominations, made after the last meeting of the Committee:

- Madush Gupta – Communications Sub Committee
- Randall Anderson - Guildhall Club
- James Bromiley-Davis – Audit and Risk Management Committee

- Eammon Mulally – Digital Services Committee
- Nicholas Bensted Smith – Mayoralty and Shrieval Allowances

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

The Chamberlain advised that the update in respect of the Community Infrastructure Levy (CIL) could be removed, noting that the Committee would receive the proposed scope and timescale at the July Meeting. Members noted that the CIL Review will require a substantial amount of work, involving a public examination and extensive evidence.

5. **REPORT OF THE WORK OF THE OPERATIONAL PROPERTY AND PROJECTS SUB COMMITTEE**

The Sub Committee had met the previous day and there were no specific updates from the public part of the agenda.

6. **EFFICIENCY AND PERFORMANCE WORKING GROUP - UPDATE**

The Committee considered a report of the Chamberlain which sought approval of the proposed work programme, for the 2023/24 financial year, and to the composition of the Efficiency and Performance Working Group. The Town Clerk would be writing to all Members after the meeting, to seek expressions of interest, noting that a couple of Members had indicated a willingness to serve.

During the discussion on the report, Members noted the Finance Committee's role in setting the financial envelope, to enable Policy and Resources Committee and the Resource Allocation Sub Committee to allocate funding. The Finance Committee also sets the affordability envelope, to drive savings and income growth, and the Chair stressed the importance of the Committee's role in reviewing spending. There was a suggestion in that future reports of this nature could be more succinct.

RESOLVED, that:

- The proposed work programme for the Efficiency and Performance Working Party be approved.
2. The terms of reference and composition of the Efficiency and Performance working party be approved as follows:
- Chairman and Deputy Chairman of the Finance Committee
 - Chairman and Deputy Chairman of the Operational Property and Project Sub Committee
 - 4 Members of the Finance Committee, not 2 Members from Corporate Services and Digital Services Committee, as set out in the report.

7. **REVIEW OF THE FINANCE REGULATIONS**

The Committee considered a report of the Chamberlain in respect of a revision to the City Corporation's Financial Regulations. The Chamberlain explained that the ongoing reviews of projects and procurement would need to take place first, over the Summer of 2023. Members noted that the revisions set out in the report effectively 'tidy up' the officer delegations. The Chief Operating Officer added that the various interdependencies between the regulations would need to be future proofed. Members asked if future versions could show track changes, indicating where updates had been made.

Whilst the Chairman and Deputy Chairman supported the report, the Chairman stressed that this is strongly caveated by their expectation of significant efficiency improvements by the end of the financial year. The Chairman reiterated the Finance Committee's objective in making the whole City Corporation more efficient; by helping officers to fulfil their roles and giving Members confidence in financial controls. The Chamberlain advised that the Finance Regulations covered controls largely operated by officers; but that training in overall suite of financial procedures would be offered as part of the Member Development Programme.

RESOLVED, that :

1. The revised Financial Regulations be approved, as set out in the appendix to the report.
2. Authority be delegated to the Chamberlain to amend the regulations in respect of any changes that may need to be made as a result of the reviews of the Project Procedure and Procurement Code; and
3. The next review of the regulations will be undertaken early in 2024, to pick up any further changes required, with the outcome being reported to the Finance Committee in the Spring of 2024.

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

The Committee considered a report of the Chamberlain, which provided an update on the risks the Chamberlain's department faces.

RESOLVED, that – the report be noted.

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

There were no public decisions taken under Delegated Authority or Urgency Procedures since the last meeting.

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

A Member asked about the increase in service charges on the Barbican Estate, which had effectively doubled for a range of reasons, the most significant being the need to renew the lifts in the tower blocks. However, as it was now very unlikely that this work would be done within this financial year, the Chamberlain agreed to look at a revised estimate.

The Town Clerk stressed the importance of modernising the City Corporation's business processes, particularly in respect of calculating service charges. Members noted the ongoing review of the Barbican Estate Office, which is seeking to address this and similar issues. The outcome of the review would be reported back to this Committee in September, in terms of financial regularity and value for money, with the wider issues being reported to the relevant Committees.

The Chamberlain explained that, under the City Fund's Regulations, it is not possible to have a 'sinking fund'. Members were asked to be mindful of the age of the Barbican Estate and the implications in respect of service charges. The Chamberlain would be looking at the budgetary process and balancing charges with the new Executive Director and Housing Finance Team.

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

There were no urgent items.

12. **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.

Item No.	Paragraphs in Schedule 12A
13-20	3

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

RESOLVED, That – the non-public minutes of the meeting held on 16th May 2023 be approved.

14. **REPORT OF THE WORK OF THE OPERATIONAL PROPERTY AND PROJECTS SUB-COMMITTEES - NON-PUBLIC ISSUES**

The Committee noted the key discussions which had taken place during non-public session of the meeting of the Sub Committee held on 5th June 2023.

15. **HIGH-LEVEL MAJOR PROJECTS UPDATE**

The Director of Financial Services was heard.

16. **KORN FERRY REVIEW OF PAY AWARD**
The Committee considered and approved a report of the Chief Operating Officer
 17. **ARCHITECTS FRAMEWORK AWARD - CONTRACT AWARD**
The Committee considered an approved a report of the Chief Operating Officer and the City Surveyor.
 18. **MINOR WORKS MEASURED TERM CONTRACTS - AWARD REPORT**
The Committee considered an approved a report of the Chief Operating Officer and the City Surveyor.
 19. **BARBICAN RENEWAL - DESIGN DEVELOPMENT**
The Committee considered an approved a report of the Chief Operating Officer and the City Surveyor.
 20. **NON-PUBLIC DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**
The Committee noted a non-public decision taken under delegated authority since the last meeting.
 21. **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.
22. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There were no items of urgent business.

The meeting ended at 1.55 pm

Chairman

Contact Officer: Julie.Mayer@cityoflondon.gov.uk