

## FINANCE COMMITTEE

Tuesday, 19 September 2023

Minutes of the meeting of the Finance Committee held at Guildhall, EC2 on Tuesday, 19 September 2023 at 12.45 pm

### Present

#### Members:

Deputy Henry Colthurst (Chairman)	Michael Hudson
Deputy Randall Anderson (Deputy Chairman)	Deputy Elizabeth King
Shahnan Bakth	Deputy Madush Gupta
Brendan Barns	Catherine McGuinness
Nicholas Bensted-Smith	Hugh Selka
Alderman Professor Emma Edhem	Eamonn Mullally
Alderman Sir Peter Estlin	James Tumbridge
Steve Goodman OBE	Deputy Christopher Hayward (Ex-Officio Member)

#### Officers:

Ian Thomas CBE	- Town Clerk and Chief Executive
Caroline Al-Beyerty	- Chamberlain
Michael Cogher	- Comptroller and City Solicitor
Bob Roberts	- Interim Executive Director, Environment
Matt Baker	- City Surveyor's Department
Simon Causer	- City Surveyor's Department
John Galvin	- City Surveyor's Department
Robert Murphy	- City Surveyor's Department
Tom Leathart	- City Surveyor's Department
Alistair Cook	- Chamberlain's Department
Daniel Peattie	- Chamberlain's Department
Kate Limna	- Chamberlain's Department
Sonia Virdee	- Chamberlain's Department
Emma Beard	- Chief Operating Officer's Department
John Cater	- Chief Operating Officer's Department
Oliqur Chowdhury	- Chief Operating Officer's Department
Genine Whitehorne	- Chief Operating Officer's Department
John Barker	- Community and Children's Services Department
Ben Dunleavy	- Town Clerk's Department

### 1. APOLOGIES

The Chairman welcomed George Abrahams and Hugh Selka, who had joined the Committee in the place of Greg Lawrence for the Ward of Farringdon Within and for the Ward of Bridge and Bridge Without respectively.

Apologies for absence were received from George Abrahams, Deputy Rehana Ameer, Alderman Tim Levene, Deputy Andrien Meyers, Deputy James Thomson and Mark Wheatley.

Paul Martinelli and John St John Davis observed the meeting virtually.

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**

The public minutes and non-public summary of the meeting held on 18 July 2023 were approved as an accurate record.

Matters arising

The Chairman noted three matters arising from the minutes which had not been picked up in the action tracker at agenda item 4:

- The update on the bow-wave would come to the December meeting
- The joint budget and corporate plan road map would be addressed later in the meeting
- The Efficiency and Performance Working Group would be considering the issue of spending within budgets

4. **ACTION TRACKER**

Members received a report of the Town Clerk providing the Committee's action tracker.

RESOLVED, that – the report be received and its contents noted.

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

Members received a report of the Chamberlain providing the Committee's forward plan.

RESOLVED, that – the report be received and its contents noted.

6. **PROJECT GOVERNANCE REVIEW – KEY FINDINGS AND PROPOSALS FOR NEW APPROACH**

Members received a report of the Chief Operating Officer concerning the project governance review.

RESOLVED, that – Members authorise the Chamberlain to amend the Financial Scheme of Delegation and Finance Regulations as necessary.

7. **ANNUAL TERMS OF REFERENCE REVIEW**

Members received a report of the Town Clerk relative to the Committee's terms of reference.

The Chairman informed Members that he and the Deputy Chairman felt that the composition of the Projects and Performance Sub-Committee should remain the same as the former Operational Property and Projects Sub-Committee until its reappointment in May 2024, with Alderman Timothy Hailes remaining as Chair until that time. This continuity was to ensure a smooth transition during a significant time of change in the City Corporation's project management approach.

The Chairman also suggested to Members that the size of the sub-committee be reduced to eight after April 2024, being a more sensible number, including representatives from the Digital Services and Port Health and Environmental Services Committees as the largest procurers. The Town Clerk undertook to consult with the relevant officers to consider the future composition of the sub-committee and return with proposals before April 2024.

Members requested that officers be consistent in terminology and dates in reports.

RESOLVED, that – Members:

- a) Confirm that the composition of the Projects and Procurement Sub-Committee remains the same as the former Operational Property and Projects Sub-Committee until the reappointment of sub-committees in May 2024, with Alderman Timothy Hailes remaining as Chair
- b) Note the revised terms of reference for the Finance Committee and for the Projects and Procurements Sub-Committee.

**8. CITY FUND AND PENSION FUNDS STATEMENT OF ACCOUNTS UPDATE**

Members received a report of the Chamberlain providing an update on the Statement of Accounts for City Fund and Pension Fund.

Members noted that a briefing session would be held on 27 September. The output from this session would form part of the Chamberlain's delegation.

The Chairman thanked the Financial Services Director and her team for their work on resolving the issues on the 2020/21 accounts.

A Member noted that the Local Government Pensions Board had previously had sight of reports concerning the Pension Fund Statement of Accounts. Officers confirmed that the report was on the agenda for the following meeting of that Board, with the Pensions Committee also kept informed.

The Chamberlain clarified that a significant change meant a material change, which currently was regarded as an amount exceeding £5m.

Resolved, that – Members:

- a) Note the progress made on the 2020/21 accounts.
- b) Consider the Audit Progress Report 2021/22 as set out in Appendix 2.

- c) Note the responses from Management as per Appendix 3 and Appendix 4.
- d) Authorise the Chamberlain, in consultation with the Chairman and Deputy Chairman of the Finance Committee, to approve any significant changes to the 2021/22 Statement of Accounts that may be necessary before the issuance of the audit opinion by GT, expected by the end of September 2023

**9. CITY ASSESSMENT CENTRE – PROCUREMENT STAGE 2 AWARD REPORT**

Members received a joint report of the Executive Director, Department of Community and Children's Services and the Chief Operating Officer.

RESOLVED, that – Members:

- a) Approve the award of the contract to Thames Reach for a period of three years, from January 2024 at a value of £1,485,000, (plus the potential to extend for a further two years, at a total value of £2,475,000).
- b) Delegate the authority for the decision to extend the contract to the Department of Community and Children's Services (DCCS) Category Board.

**10. FUNDING FOR EPPING FOREST CRITICAL HEALTH & SAFETY WORKS TO KNOWN DANGEROUS TREES**

Members received a report of the Interim Executive Director, Environment Department.

The Chamberlain confirmed that this request was being taken through contingencies rather than the carry-forward procedure as charities could only carry-forward underspends. Epping Forest's underspend had not been sufficient to cover the request. Any carry-forward would therefore have needed to be taken from another charity's underspend, which she felt would have been inappropriate.

RESOLVED, that – Members approve the bid of £210k in relation to critical H&S work required to known dangerous trees at Epping Forest within financial year 2023-24, financed from City's Cash contingency for 2023-24.

**11. CENTRAL CONTINGENCIES**

Members 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.

The Chairman informed Members of a recommendation from the Central Grants Unit concerning appeals launched by the British Red Cross in Morocco and Libya.

RESOLVED, that – Members note the report on Contingency Funds and approve a donation of £25,000 each to the following:

- a) Morocco Earthquake Appeal

b) Libya Flood Appeal

12. **CHAMBERLAIN'S BUSINESS PLAN QUARTER 1 2023/24 UPDATE**

Members received a report of the Chamberlain providing an update the Chamberlain's Business Plan.

RESOLVED, that the report be received and its contents noted.

13. **CITY RE LIMITED – PERFORMANCE MONITORING**

Members received a report of the Chamberlain concerning performance monitoring for City Re Limited.

RESOLVED, that the report be received and its contents noted.

14. **EMPLOYEE RIGHTS ACT**

Members received a report of the Remembrancer concerning the Employee Rights Act.

The Town Clerk informed the Committee that this report had been included on the agenda in error.

RESOLVED, that – Members note the withdrawal of this item.

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

Members received a report of the Chamberlain providing an update regarding the top risks within the Departmental Risk Register.

RESOLVED, that - the Committee notes the report.

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

There were no questions.

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

There were no urgent items.

18. **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**

16-24, 26, 27

3

25

1 and 3

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

The non-public minutes of the meeting held on 18 July 2023 were approved as an accurate record.

The Chairman welcomed Daniel Peattie, who was joining the Chamberlain's Department as the Assistant Director for Strategic Finance.

20. **CORPORATE SECURITY SERVICES - PROCUREMENT STAGE 1 REPORT**  
Members received a report of the City Surveyor concerning procurement for a new security services contract.
21. **FUNDING FOR OPN REPLACEMENT PROJECT/ MRI HORIZON**  
Members received a report of the City Surveyor concerning funding for a property management system.
22. **RISK MANAGEMENT UPDATE THE CITY OF LONDON CHARITIES POOL (1021138)**  
Members received a report of the Chamberlain providing an update on risk management for the City of London Charities Pool.
23. **WRITE-OFF OF OUTSTANDING DEBT – FRESH N FRUITY (UK) LTD**  
Members received a report of the Chief Operating Officer concerning the outstanding debt of a New Spitalfields trader.
24. **COVERING REPORT ON MAJOR PROJECTS – HIGH LEVEL FORECASTS AND CASH FLOW**  
Members received a joint report of the Chamberlain and the Chief Operating Officer concerning forecasts and cashflow for major projects.
25. **PROVISION FOR BAD AND DOUBTFUL DEBTS AT 31ST MARCH 2023**  
Members received a report of the Chamberlain concerning provisions for bad and doubtful debts.
26. **NON-PUBLIC DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**  
Members received a report of the Town Clerk concerning a non-public decision taken under urgency procedures since the last meeting.
27. **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.
28. **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.
29. **FINANCIAL SERVICES DIVISION RECRUITMENT UPDATE**  
Members received a report of the Chamberlain providing an update on recruitment in the Financial Services Division.

**The meeting ended at 2.16 pm**

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Chairman

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