

FINANCE COMMITTEE

Tuesday, 1 July 2025

Minutes of the meeting of the Finance Committee held at Guildhall, EC2 on Tuesday,
1 July 2025 at 12.45 pm

Present

Members:

Deputy Henry Colthurst (Chairman)	Steve Goodman OBE
Deputy Andrien Meyers (Deputy Chair)	Alderwoman Martha Grekos
Brendan Barns	Adam Hogg
Alderman Alexander Barr	Sandra Jenner
Nicholas Bensted-Smith	Alderman Bronek Masojada
Deputy Timothy Butcher	Alderwoman Jennette Newman
Deputy Anne Corbett	Deputy Oliver Sells KC
Simon Duckworth OBE DL	James St John Davis
Susan Farrington	Deputy James Thomson CBE

Officers:

Caroline Al-Beyerty	- The Chamberlain
Greg Moore	- Deputy Town Clerk
Michael Cogher	- Comptroller & City Solicitor
Sonia Virdee	- Financial Services Director
Robert Murphy	- Investment Property Director
Genine Whitehorne	- Commercial Director
Alistair Cook	- Joint CFO for COL Police Force & Police Authority
Simon Gray	- ERP Programme Director
Nadhim Ahmed	- Chamberlain's Department
Jade Coombes	- Chamberlain's Department
John James	- Chamberlain's Department
Matt Lock	- Chamberlain's Department
Matt Miles	- Chamberlain's Department
Daniel Peattie	- Chamberlain's Department
John Hall	- City of London Schools
Tabitha Swann	- Corporate Strategy & Performance
John Cater	- Committee Clerk

1. APOLOGIES

In advance of the meeting, formal apologies for absence were received from Shahnaz Bakht, Deputy Bethany Coombs, Alderman Prem Goyal CBE, Deputy Madush Gupta, Stephen Hodgson, Deputy Paul Martinelli, Deputy Benjamin Murphy, Hugh Selka, Deputy Sir Michael Snyder, James Tumbridge, and Deputy Christopher Hayward.

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 4th June 2025 be approved as an accurate record.

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

The Committee received a Report of the Chamberlain outlining the forward work plan.

The Chairman asked that the next iteration should include detail on the first Finance Committee meetings of 2026.

RESOLVED – that the Committee noted the Report.

5. **PUBLIC UPDATE OF THE PROJECTS AND PROCUREMENT SUB-COMMITTEE MEETING 16 JUNE 2025**

On behalf of the Chairman of the Projects and Procurement Sub-Committee (PPSC), who was observing today's meeting, the Chairman informed Members that, in the public session at its last meeting, PPSC had approved a Report concerning the Pan-London Sexual Health eService contract (approved thereafter by Finance Committee and the Court of Common Council), and PPSC Members were informed about the main details from the City Corporation's Responsible Procurement Impact Report for 2024/25 prior to its wider publication.

RESOLVED – That the Committee noted the public update from the meeting of the Project and Procurement Sub-Committee on 16th June 2025.

6. **NEW PROJECT PROCEDURE / P3 FRAMEWORK**

The Committee considered a Report of the Chamberlain concerning the new Project Procedure/Project, Programme, Portfolio (P3) Framework.

The Chairman and several Members expressed their fulsome support for the proposals and commended the officers involved for the hard work which had gone into designing the new Framework. The proposals were intended to provide for greater simplicity, efficiency, and flexibility; the latter of which was particularly helpful, given the operational differences and non-local authority status of some of the City's institutions, such as the independent Schools.

In her introductory remarks, the Commercial Director highlighted that the Chairman of the Projects and Procurement Sub-Committee had requested that the tiering structure be revised; currently, the higher risk projects were designated as Tier 0/1 with lower risk projects then ascending up the ranking to Tier 3, the Chairman suggested that this ordering should be inverted more intuitively so that higher risk profile projects were designated as Tier 3, with lower risk items then descending through to Tier 0/1. It was agreed that this was not a substantive change which could be incorporated as a non-material revision prior to the formal roll out of P3 in the autumn.

A Member queried whether, after approval from the relevant service Committees and PPSC, red projects that had been re-baselined as green projects would still be monitored and tracked to ensure that any further delays or issues were picked up and escalated in good time. The Commercial Director emphasised that the City Corporation's new portfolio management software, Cora, brought significant benefit in this area, notably around tracking version control and change history which can then be escalated if required. In addition, she stressed that that re-baselining was a robust process, that depending on the risk value of the project, would need the formal approval of the Town Clerk's Portfolio Board or the relevant Committee(s).

Separately, noting the length of the Report (plus the appendices), a Member asked whether the number of pages of Finance Committee Reports could be kept to a minimum. The Chairman stressed that he had previously asked officers to keep reports succinct – ideally incorporating a two-page covering summary aimed at ensuring that key issues were always brought to Members' attention.

Noting that the Framework will apply for projects of the value of £250,000 and upwards, a Member asked what assurance was being put in place for projects below £250,000. The Commercial Director responded that sub-£250,000 projects would come under the oversight of Chief Officers with support provided by the corporate centre in the form of the new Enterprise Portfolio Management Office (EPMO); this will be in addition to the new policy and programme management framework which will include all the new guidance, tools, and training which will allow project managers to draw upon the expertise of the corporate centre. The Commercial Director also pointed out that most sub-£250,000 items would still come under governance frameworks e.g. the procurement governance framework (for which the Commercial Director had a remit). Processes were in place to ensure that sub-£250,000 items were being robustly managed, monitored, and flagged when necessary. The Chairman asked that a summary be regularly brought to the relevant Committees of those projects which fell under the £250,000 threshold.

Given its remit over these matters, the Deputy Chair asked that a reporting control summary also come back to the Finance Committee on a regular basis summarising, at a high-level, the activity in each of the Tiers.

RESOLVED: – that the Committee:

1. Approved the new P3 Framework, including:

- a) Approve the new project gateways – paragraphs 16-21
- b) Approve the increase of delegated authority to £5m for Chief Officers – paragraph 21
- c) Approve the increase of the threshold for Court of Common Council to receive gateway submissions to £20m – paragraph 21
- d) Note the increase to £250k threshold for entering the gateway process – paragraph 21

e) Approve that once a “Red” project approves a re-baselined plan with the Service Committee and Project and Procurement Sub-Committee, it can then proceed as a “Green” project – paragraph 21

f) Approve the SRO of a project or programme to have delegated authority to drawdown against the agreed costed risk profile – paragraph 21

2. Expanded the use of optimism bias with the established ‘optimism bias’ reserve to be authorised from the Service Committee and Finance Committee – paragraph 21

3. Noted that the new P3 Framework will take effect at a launch event on 25th November 2025

4. Approved that further updates can be made to the P3 Framework with approval from CoL Portfolio Board with Members approving changes to the delegation levels

5. Authorised the Chamberlain to make the necessary amendments to other documentation i.e. the Corporation's Financial Regulations and the Procurement Code in order to align these documents with the Framework.

7. **RESOLUTION FROM THE COMMUNITY AND CHILDREN'S SERVICES COMMITTEE TO THE FINANCE COMMITTEE**

The Committee considered a Resolution from the Community and Children's Services Committee.

RESOLVED: - The Committee supported the sentiment in the Resolution and issued its fulsome support for the Corporation's efforts in tackling homelessness. Nevertheless, Members were minded not to support ringfencing/hypothecation at this stage, and suggested that the Chairman meet with the Chairman of the Community and Children's Services Committee on these matters and report back.

8. **2024/25 OUTTURN REPORT FOR CITY FUND AND CITY'S ESTATE**

The Committee received a Report of the Chamberlain providing a summary of the 2024/25 draft outturn position for City Fund and City's Estate.

Responding to a query, the Chamberlain highlighted that, given the wider inflationary trends, this was a good opportunity to look in greater depth at whether the City Corporation's fees and charges were set at an appropriate level; her department would be examining levels in more detail in the autumn and would update the Committee in due course.

Whilst the slippage on the City Corporation's capital works in 2024/25 had helped cashflow and interest earnings, in the longer-term, the downside from slippage in areas such as repairs and maintenance in the HRA could present huge risk of increased longer-term costs. More detail about the potential upsides and downsides would come back to the Committee as part of the

preparation for the 2026/27 Budget. The Chamberlain added that the Commercial team's work via Project Cora would provide the Project and Procurement Sub-Committee greater oversight of slippage and pressures for lesser profile capital works, which would, in turn, provide Members with a greater understanding of the consequent impact on the City Corporation's broader financial outlook.

RESOLVED: - that the Committee noted the Report.

9. **REVENUE OUTTURN 2024/25 – FINANCE COMMITTEE OPERATIONAL SERVICES**

The Committee received a joint Report of the Chamberlain, the Town Clerk, the City Surveyor, the Remembrancer, and the Executive Director of Community and Children's Services.

RESOLVED: - that the Committee noted the Report.

10. **UPDATE ON BUDGET SETTING 2026-27**

The Committee received a Report of the Chamberlain concerning the preparation of the City Corporation's Budget for 2026/27.

After the Financial Services Director provided a presentation, a number of Members raised several points:

A Member highlighted the Ambition 25 project as the "elephant in the room"; although the changes were felt essential, the organisation had to pause to take stock of the current status of the project as well as the recent personnel changes in the City's HR Department.

The Deputy Chair highlighted that an Ambition 25 briefing session was to be set up with those Members of the Finance and the Policy & Resources Committees who were not also Members of the Corporate Services Committee. Alongside the challenges presented by the Corporation's Capital Programme, the Deputy Chair identified Ambition 25 as a key focus for 2026/27 planning.

A Member stressed that this process should serve as an opportunity to look radically and fundamentally about some of the services that the Corporation provides, particularly given the rising costs in recent years of some of these activities; it was apparent that given the organisation's size, the unit cost of some of these services, when benchmarked across other local authorities, was often significant. The Chamberlain welcomed these comments and pointed to the outcome of the Fair Funding Review as a key milestone in determining how radical the organisation would need to be to turn around the trajectory of City Fund. Additionally, the Chamberlain highlighted the upcoming Policy & Resources Away Day as an opportunity to think about the longer-term outlook, given that City Fund would take some time to restore its position whilst efforts to increase income generation by at least £10m also had to come to fruition.

The Chairman thanked Members for their contributions and, on behalf of the Committee, asked the Chamberlain and her team to carry on the work with updates to the Committee to follow in the autumn/winter.

RESOLVED: - that the Committee noted the Report.

11. UPDATE FROM INTERNAL AUDIT - ASSURANCE FINANCIAL CONTROL

The Committee received a Report of the Chamberlain concerning the City Corporation's internal financial controls.

The Chairman asked officers whether they felt that the controls around the use of City Corporation credit cards/purchase (P) cards were sufficiently robust and are they still providing the organisation value-for-money.

Officers responded that compliance with all of the City's frameworks for use of P Cards was relatively steady at around 75% and that they remained an effective solution for the organisation. Unlike in the commercial sector, P-Cards at the Corporation were not predominantly used for expenses for employees (which was dealt with by a separate reimbursement system), rather than for low value, operational purchases for which they proved efficient and agile way. It was emphasised that the timely provision of receipts and expenses forms remained of critical importance and internal audit continued to work with colleagues across the organisation to ensure that expectations were met.

A Member welcomed the training initiative and asked how its effectiveness would be measured; officers responded that, whilst the Corporation had benefited from a strong compliance environment for many years, some unacceptable practices had emerged which needed to be stopped. As a result, further training would be key. Results and performance over the coming year would be reported back in six months' time to the Audit & Risk Management Committee, and thence in summary to the Finance Committee, which had an overarching responsibility for financial control.

RESOLVED: - that the Committee noted the Report.

12. ERP PROGRAMME UPDATE (QUARTERLY)

The Committee received a Report of the Chamberlain updating Members on the progress of the ERP Programme.

Responding to a comment, the Chamberlain emphasised the critical importance of AI for efficiency going forward and highlighted as an example the HR department's recent rollout of the HR bot which could be used by anyone across the organisation to ask questions on HR policies. However, it was clear that to harness the full benefits of AI, underlying data must become more robust. Such upgrade would be a key focus for the organisation. Derby City Council had been cited as an example of an Authority which was leading the way on AI adoption, and the lessons from there would be carefully considered by the Corporation.

RESOLVED: - that the Committee noted the Report.

13. **RISK MANAGEMENT UPDATE REPORT**

The Committee received a Report of the Chamberlain concerning risks faced by the Chamberlain's Department.

RESOLVED: - that the Committee noted the Report.

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

The Committee received a Report of the Town Clerk which provided information of the 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). The decisions related to the Pan-London Sexual Health eService (SHL.UK) and the MRI Horizon property management software.

RESOLVED: – that the Committee noted the Report.

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

There were no public questions.

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

There were no urgent public items.

17. **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.

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

RESOLVED: - that the non-public minutes of the meeting held on 4th June 2025 be approved as an accurate record.

19. **NON-PUBLIC UPDATE OF THE PROJECTS AND PROCUREMENT SUB-COMMITTEE MEETING 16 JUNE 2025**

RESOLVED – That the Committee noted the non-public update from the meeting of the Project and Procurement Sub-Committee on 16th June 2025.

20. **ART TRANSPORT FRAMEWORK - PROCUREMENT STAGE 2 AWARD REPORT**

The Committee received a joint Report of the Chamberlain and the Interim CEO, Barbican Centre concerning the award of the Art Transport Framework.

21. **CLSG FUNDING REVIEW**

The Committee considered a Report of the Chamberlain concerning transition funding for the City of London School for Girls (CLSG).

22. **WRITE OFF REPORT - BUSINESS RATES AND COUNCIL TAX**
The Committee considered a Report of the Chamberlain concerning write-offs of Business Rates and Council Tax.
23. **ERP UPDATE (NON-PUBLIC)**
The Committee received a Report of the Chamberlain concerning the ERP Programme.
24. **EFFICIENCY AND PERFORMANCE WORKING PARTY'S FORWARD PLAN**
The Committee received a Report of the Chamberlain outlining the Forward Plan for the Efficiency & Performance Working Party.
25. **MPO DASHBOARD**
The Committee received a Report of the Chamberlain outlining updates concerning the City Corporation's Major Programmes.
26. **NON-PUBLIC DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**
The Committee received a Report of the Town Clerk which provided information of the 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).
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**
The Committee considered two items of urgent business relating to social housing and investment properties.

The meeting ended at 2.15 pm

Chairman

Contact Officer: John Cater