

<b>Committee:</b> Audit and Risk Management Committee	<b>Date:</b> 4 March 2014
<b>Subject:</b> Corporate Governance – Scheme of Delegations and Standing Orders	<b>Public</b>
<b>Report of:</b> Town Clerk	<b>For Decision</b>

### **Summary**

As part of the City Corporation's arrangements for ensuring good governance, the Scheme of Delegation to Chief Officers has been reviewed and a number of changes have been proposed. The changes, which principally reflect changes to legislation and previously agreed City Corporation's policies, were considered by Policy and Resources Committee on 23 January 2014, before being submitted to the Court of Common Council.

The Policy and Resources Committee is responsible for the review and co-ordination of the City Corporation's governance arrangements. The Committee will therefore be considering the Scheme in its entirety, including the general framework and conditions of the delegations and an amendment to Standing Orders, relating to the declaration of operational property assets which are surplus to requirements.

All service committees are required to consider those elements for which they have responsibility. A copy of the revised section applicable to the Audit and Risk Management Committee is attached at **Appendix 1**. Members are asked to note **items 1, 6 and 14** as they are relevant to both the Audit and Risk Management Committee and the Finance Committee.

The Audit and Risk Management Committee are also invited to comment on the Officer Scheme of Delegation in its entirety (**at Appendix 2**) as part of the City of London Corporation's governance package.

### **Recommendations**

1. The Audit and Risk Management Committee are invited to comment on the Officer Scheme of Delegation, as part of the City of London Corporation's Governance Package.
2. Subject to the approval of the Policy and Resources Committee of the overall Scheme of Delegation, the delegations relating to the Chamberlain, in respect of the Audit and Risk Management Committee, as set out in the appendix to this report be approved; and
3. to note the proposed amendment to Standing Orders relating to the declaration of operation property assets which are surplus to requirements.

### **Main Report**

## Background

1. As a corporate body all decisions are vested in the Court of Common Council. To facilitate the administration of the City Corporation's many and complex functions, the Court delegates the majority of its functions to its committees and officers. The Committee Terms of Reference set out the functions delegated to committees, whilst the Scheme of Delegations sets out those functions which have been delegated to officers.

## Scheme of Delegations

2. The Scheme of Delegations has recently been reviewed and a number of changes are proposed which, on the whole, reflect changing legislation, amendments to corporate policy and operational needs. A copy of the revised Chief Officer delegations, relevant to the Audit and Risk Management Committee, is attached at **Appendix 1** to this report.
3. Members are asked to note **items 1 and 14**, as they are relevant to both the Audit and Risk Management Committee and the Finance Committee, in that the Audit and Risk Management Committee reviews and recommends the City's Financial Statements to the Finance Committee. Item 6 is also relevant to Internal Audit Staff and the Committee is responsible for overseeing the internal audit function, which the Chamberlain has responsibility for as Head of Profession.
4. The Audit and Risk Management Committee are also invited to comment on the complete Officer Scheme of Delegation (**Appendix 2**) as part of the City of London Corporation's governance package.
5. The Policy and Resources Committee are responsible for the review and co-ordination of the City Corporation's governance arrangements which includes, amongst other things, Committees and Standing Orders.

## Standing Orders – Declaring Assets Surplus

6. The drive for efficiency savings, including the Corporate Asset Realisation Programme and the more recent Service Based Reviews, have highlighted the need for the City to identify, more effectively, those assets which are surplus to departmental need, so they can be considered for alternative uses or disposal.
7. Whilst there are a number of officer groups considering the efficient and effective use of assets and resources, it is felt that their work would be assisted by a change to Standing Orders, which would formalise the process for Chief Officers and Committees identifying assets as surplus. It should be noted that, prior to the approval of the Court, the Policy and Resources Committee is being asked to consider adding the following with regard to this.

### **Standing Order No 55 - Identification of Property Assets Surplus to Departmental Requirements**

(1) *Committees are required to consider the effective and efficient use of all operational property assets. This will be monitored by the Corporate Asset Sub Committee.*

(2) *Where assets are no longer required, in whole or in part, for the provision of operational services for which they are currently held, a report on the circumstances must be made to the Corporate Asset Sub Committee. This does not apply where lettings are an integral part of the service e.g. market or housing tenancies.*

### **Corporate & Strategic Implications**

8. The proposed changes to the Scheme of Delegations and Standing Orders are intended to support the effective governance of the City of London and ensure that decision making is effective and transparent.
  - Appendix 1 –Scheme of Delegations (Chamberlain)
  - Appendix 2 – Complete Officer Scheme of Delegation

## CHAMBERLAIN

The following powers are delegated to the Chamberlain.

### Operational

1. **To be the officer responsible for the conduct of the City of London Corporation's financial affairs and, in particular, to be the proper officer for the purpose of Section 6 of the Local Government Housing Act 1989.**
2. In consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub-Committee to authorise the carry forward of unspent balances within the revenue budgets.
3. To authorise all virements within locally controlled budgets
4. To exercise such powers as may from time to time be delegated to him through the Treasury Policy Statement.
5. To authorise the payment of precepts, levies and contributions to the national non-domestic rates pool.
6. **To operate market force supplements for Chamberlain's Department staff within the set maximums.**
7. To determine the financing of capital expenditure.
8. To deal with and agree claims received under the Riot (Damages) Act, 1886
9. To write off all debts, except for non-domestic rates and council tax, due to the City of London Corporation, which are irrecoverable and up to £5,000 (under Standing Order No 52) and to write off all non-domestic rates debts up to £5,000 and council tax debts up to £1,000.
10. To write on all unclaimed credit amounts.
11. To authorise the granting of discretionary rate relief under Section 47 and 49 of the Local Government Finance Act 1988 up to £5,000 per case per annum.
12. To agree Section 44A Allowances (empty rate relief on partly occupied properties).
13. To agree minor amendments to the ordinance of City Companies and Livery Companies in conjunction with the Chairman of the General Purposes Committee of Aldermen.
14. **To act as Head of Profession for Finance, IS, and Procurement , with the right to issue technical standards and guidance for use throughout the City of London Corporation and to be consulted on staffing arrangements for any of those functions within other Departments.**
15. To sign grant claims and other returns on behalf of the City of London Corporation.

16. To authorise the suspension of pension contributions.
17. To carry out all functions in relation to the Trophy Tax.
18. In give approvals in respect of contract lettings and waivers in accordance with the Procurement Regulations