

EFFICIENCY AND PERFORMANCE SUB (FINANCE) COMMITTEE

Wednesday, 6 November 2013

Minutes of the meeting of the Efficiency and Performance Sub (Finance) Committee held at Committee Rooms - West Wing, Guildhall on Wednesday, 6 November 2013 at 11.30am

Present

Members:

Roger Chadwick (Chairman)
Ray Catt (Deputy Chairman)
Randall Anderson
Nigel Challis
John Fletcher
Jamie Ingham Clark
Ian Seaton
Deputy John Tomlinson

In Attendance

Officers:

Susan Attard	- Deputy Town Clerk
Neil Davies	- Town Clerk's Department
Chris Bilsland	- Chamberlain
Philip Everett	- Director of the Built Environment
Caroline Al-Beyerty	- Chamberlain's Department
Jeremy Mullins	- Chamberlain's Department

1. APOLOGIES

Apologies were received from Jeremy Mayhew and Deputy Anthony Eskenzi.

2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

There were no declarations.

3. MINUTES OF THE PREVIOUS MEETING

RESOLVED - That the public minutes and non-public summary of the meeting held on 17 July be approved as an accurate record.

4. OUTSTANDING ISSUES

The Committee received an updated schedule of outstanding actions and noted the following items, which would be discharged on today's agenda:

- Chamberlain's Departmental recharges – Value for Money analysis.
- London Councils' Performance Dashboard – future reports to include comparisons with previous quarters.

- Internal staff costs in projects – the Chamberlain to explore how future finance reports could include a breakdown of internal and external staffing costs charged to City Corporation projects, especially where recharges could be made. Members noted that this was a high priority item.

5. **TRANSFORMATION AND EFFICIENCY BOARDS UPDATE**

The Committee received an update on the above boards; noting that the Transformation Board had met three times since the last Sub Committee Meeting and the Efficiency Board had met twice.

During the debate, the following items were raised/noted:

1. Agilisys had given a presentation to the last meeting of the Information Systems Sub Committee, which had been very well received.
2. The Finance Committee had agreed to accelerate the closedown with Accenture, bringing the service back in house. In response to a request from the Chairman, the new Head of the CLPS would attend the next meeting of the Sub Committee to present an action plan for improving compliance with revised processes.
3. The Comptroller and City Solicitor was drafting a protocol for legal services, setting out the division of responsibilities and broad principles of engagement. It was suggested that professional legal charges be considered as part of the service based reviews.
4. The importance of effectively monitoring social media in managing the City's reputation and recognition that this might need specialist knowledge.
5. Planning for the next tranche of savings was underway, as part of the service based reviews, and the resulting programme would be monitored by this Sub Committee.
6. In respect of the Performance Dashboard, members noted that the same boroughs did not always provide information for the same indicators. The Chairman asked for more clarity in the next report.
7. Two corporate plan workshops had been planned for December and all members would receive an invite later this week.

6. **CIPFA VFM INDICATORS 2011/12**

The Committee received a report of the Chamberlain, which outlined the movement in the CIPFA Public Sector Corporate Services VFM indicators for Finance between 2011/12 and 2010/11 and also outlined the results of comparisons for HR, Legal and Democratic Services. Members noted that the comparator base used was London Boroughs and large Metropolitan Councils/Unitary Authorities.

During the debate the following issues were raised/noted:

1. This had been a very useful exercise and the results had been used in the service based reviews.
2. The City of London Corporation had not cut its staff training programme, as had been the case with many local authorities.
3. Some financial systems were out of date but once they had been upgraded they would drive further efficiency savings.
4. Insourcing of the Liberata contract was progressing.
5. In order to make further savings in printing and paper, succinct report writing was being encouraged. It was suggested that large reports, being presented to several committees, should be available on-line only and circulated via a pdf.
6. It was suggested that, given that the City was so unique, it should not be compared with other London Boroughs. The Financial Services Director confirmed that other benchmarks were also used to assess performance throughout the Corporation and offered to give members a further explanation, on request.
7. In response to a suggestion that costs in respect of the City Corporation's property development role should be removed, it was noted that the cost of investments were compared across similar organisations but a full set of comparators would require a very large and complex report. Members noted that the City was high in the 'WM Index', which was used for charity benchmarking.
8. Whilst in-house services should be favoured, when they are the most cost effective, members noted the necessity for specialist advice in some areas; i.e. property transactions. The Chairman asked for the next report to show trends and where fees were increasing.

7. **SUPPLIES AND SERVICES AND THIRD PARTY PAYMENTS**

The Committee received a report of the Chamberlain, setting out themed efficiency review exercises for Supplies and Services and Third Party Payments; particularly items falling outside of PP2P.

During the debate the following items were raised/noted:

1. Members agreed that this was a worthwhile exercise and suggested that the information be shared with other service committees.
2. The level of subscriptions expenditure was questioned but members noted that the reported figure might be impacted by mis-codings; i.e. professional subscriptions being coded with subscriptions for journals/publications. The Financial Services Director advised members that mis-codings were reviewed regularly and the Chamberlain's staff worked with budget holders to ensure they were kept to a minimum.

3. Members were assured that scope for mis-codings would not apply to high level projects; the level of security was much higher and Internal Audit has found the process to be very robust.
 4. The Deputy Town Clerk agreed to implement a suggestion that someone in Town Clerk's be a point of contact for members who no longer required particular journals or publications, in order to drive costs down further.
 5. The total in table 1 for 'other departments' was questioned, but it was noted that it included a large number of sub-departmental units.
8. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
There were no questions.
9. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
There was no other business.
10. **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 the Schedule 12A of the Local Government Act.
- | Item (s) | Paragraph No(s) |
|-----------------|------------------------|
| 11-12 | 3 |
| 13-14 | - |
11. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**
RESOLVED - That the non-public minutes of the meeting held on 17 July were agreed as an accurate record.
12. **STAFF COSTS CHARGED TO PROJECTS**
The Committee considered a report of the Chamberlain, in response to a request from the Chairman of Finance.
13. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
There were no questions.
14. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**
There was no other business.

The meeting ended at 1.10pm

Chairman

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