

EFFICIENCY AND PERFORMANCE SUB (FINANCE) COMMITTEE

Wednesday, 10 September 2014

Minutes of the meeting of the Efficiency and Performance Sub (Finance) Committee held at Guildhall, EC2 on Wednesday, 10 September 2014 at 1.45 pm

Present

Members:

Roger Chadwick (Chairman)
Jeremy Mayhew (Deputy Chairman)
Randall Anderson
Nigel Challis
Deputy Anthony Eskenzi
John Fletcher
Ian Seaton
Deputy John Tomlinson
Deputy Alastair King

Officers:

Susan Attard	Deputy Town Clerk
Neil Davies	Town Clerk's Department
John Galvin	Town Clerk's Department
Philippa Sewell	Town Clerk's Department
Peter Kane	Chamberlain
Suzanne Jones	Chamberlain's Department
Peter Bennett	City Surveyor
Paul Kennedy	City Surveyor's Department

1. APOLOGIES

Apologies were received from Jamie Ingham Clark and Philip Woodhouse.

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 2 July 2014 be agreed as an accurate record.

4. OUTSTANDING ACTIONS

The Sub Committee received an updated schedule of outstanding actions. Members noted that some would be taken off after this meeting and others would be discussed under items later in the agenda. In response to a Member's question concerning the length of time it has taken to implement the new Staff Suggestion Scheme, the Deputy Town Clerk advised that around 140

suggestions had been received regarding the Service Based Reviews, which would feed into the process.

RESOLVED – That the report be noted.

5. **OVERSIGHT OF CORPORATE PROGRAMMES**

The Sub Committee received a joint report of the Chamberlain and the Town Clerk, and Members discussed the proposals for overseeing and monitoring the agreed programme of work arising from the Service Based Review and other corporate savings and efficiency projects.

Members noted that the monitoring process and templates to be used for corporate change projects should also be used for monitoring departmental projects and programmes.

RESOLVED – That:

- a) The creation of a Corporate Programme Delivery Unit be noted;
- b) The proposals for the reporting of the agreed programme of work arising from the Service Based Review and other corporate savings and efficiency projects be approved;
- c) The Sub Committee will meet approximately every two months going forward; and
- d) The Town Clerk produce an un-populated monitoring sheet and standard format for reporting, to be presented at the next meeting.

6. **COLLABORATIVE SERVICES (CITY OF LONDON CORPORATION AND CITY OF LONDON POLICE)**

Members noted that the future potential to share HR services would be considered and included in future reports, as well as reference to the cashable savings being made through collaboration. Members discussed the Joint Contact and Control Room and, in response to a Member's question, the Deputy Town Clerk advised that monitoring figures for the Contact Centre and the website were reported at an officer level and could be made available to Members.

RESOLVED – That:

- a) The report be noted; and
- b) A follow up report tracking progress and savings would be reported to the Sub Committee in March 2015.

7. **CENTRAL SUPPORT SERVICE COSTS AND THEIR ALLOCATION OR APPORTIONMENT TO THE CITY'S ACTIVITIES**

The Sub Committee received a report of the Chamberlain which outlined how central support service costs, totalling some £64.7m in 2013/14, are recovered from the City's various activities through apportionments or allocations.

Members discussed the report, and agreed that more clarity and transparency regarding central support costs was needed alongside greater rigour to understand the demand for services. Members also asked for benchmarking data to be used, where available, to help challenge the cost of central services

provided. Members agreed that the creation of a transparent internal market would provide scope for better dialogue, and opportunities for sourcing central services from elsewhere, should this prove better value for money.

RESOLVED – That:

- The bases of apportionment and allocations used to ‘recover’ central support services costs be noted;
- A number of the methodologies for recovery of costs be reviewed, updated and reported back to the Sub Committee within six months, to improve the appropriateness of distributions in particular IS Services, City Procurement and the Town Clerk’s Department; and
- The pressures being applied to reduce budgets/increase value for money of central departments, which in turn will decrease the costs to be recovered, be noted.

8. CITY OF LONDON ENERGY EFFICIENCY FUND

The Sub Committee received a joint report of the Town Clerk and the City Surveyor which outlined an Energy Efficiency Fund. Members discussed the report, being supportive in principle of a fund being established from the general reserves in accordance with the criteria laid out in the report, but highlighted the need for a revised report to first go to the Resource Allocation Sub Committee for discussion, with a detailed business case.

In response to a Member’s question, the Corporate Energy Manager advised that the projected increase in energy prices was based on an independent study carried out by Cornwall Energy in 2010 and 2013. Members noted the need for a flexible plan to manage the uncertainty in future energy prices, and asked for the potential return of investments to be reported in terms of consumption. Members also asked for the revised report to demonstrate what would be needed to achieve the energy reduction target set out in the Carbon Descent Plan (CDP) 2009, and what would be required to achieve reductions beyond this.

RESOLVED – That a report be presented to the Resource Allocation Sub Committee setting out the business case for a pilot Energy Efficiency Fund, to identify the actions needed in order to address volatile increases in energy costs and the level of investment required.

9. CITY PROCUREMENT

The Sub Committee received a report of the Chamberlain. Members discussed the report and, in response to a Members’ question, the Chamberlain confirmed that ‘credentials’ had been drawn up to share the experience and lessons learned with other Local Authorities.

RESOLVED – That the report be noted.

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

There were no questions.

11. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
There was no other business.
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 the Schedule 12A of the Local Government Act.
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 3.03 pm

Chairman

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