



## Efficiency and Performance Sub (Finance) Committee

**Date:** TUESDAY, 27 JANUARY 2015  
**Time:** 1.45 pm  
**Venue:** COMMITTEE ROOMS - WEST WING, GUILDHALL

**Members:** Roger Chadwick (Chairman)  
Jeremy Mayhew (Deputy Chairman)  
Randall Anderson  
Nigel Challis  
Deputy Anthony Eskenzi  
John Fletcher  
Jamie Ingham Clark  
Deputy Alastair King  
Ian Seaton  
Deputy John Tomlinson  
Philip Woodhouse

**Enquiries:** Philippa Sewell  
tel.no.: 020 7332 1426  
philippa.sewell@cityoflondon.gov.uk

Lunch will be served in the Guildhall Club at 1pm  
**NB: Part of this meeting could be the subject of audio video recording**

**John Barradell**  
Town Clerk and Chief Executive

# AGENDA

## Part 1 - Public Agenda

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES OF THE PREVIOUS MEETING**  
To agree the public minutes and non-public summary of the meeting held on 10 September 2014.  

**For Decision**  
(Pages 1 - 4)
4. **OUTSTANDING ACTIONS**  
Report of the Town Clerk.  

**For Information**  
(Pages 5 - 10)
5. **CIPFA VFM INDICATORS 2013/14**  
Report of the Chamberlain.  

**For Information**  
(Pages 11 - 84)
6. **WORK PLAN FOR FUTURE MEETINGS**  
Report of the Town Clerk.  

**For Information**  
(Pages 85 - 86)
7. **SERVICE BASED REVIEWS**  
Report of the Town Clerk (to follow).  

**For Information**
8. **PERFORMANCE MONITORING: LONDON-WIDE PERFORMANCE INDICATORS**  
Report of the Deputy Town Clerk.  

**For Information**  
(Pages 87 - 92)
9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
10. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
11. **EXCLUSION OF THE PUBLIC**  
MOTION - 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.  

**For Decision**

## **Part 2 - Non-Public Agenda**

12. **COMBINED HEAT AND POWER SYSTEM - ANNUAL REPORT 2013/14**  
Report of the City Surveyor.

**For Information**  
(Pages 93 - 108)

13. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

14. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

This page is intentionally left blank

## 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

**Contact Officer: Philippa Sewell**  
**tel.no.: 020 7332 1426**  
**philippa.sewell@cityoflondon.gov.uk**



EFFICIENCY AND PERFORMANCE SUB-COMMITTEE - Outstanding Actions (as at 15/1/2015)

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
1.	30 January 2013	<b>Staff Suggestion Scheme</b> Members requested that officers review and report back on the incentives offered to staff who suggest good ideas through the City Corporation's Staff Suggestion Scheme and also the level of uptake.	Deputy Town Clerk	<b>January 2015</b> (report to Chief Officers Summit Group)	<b>September 2014:</b> A report to the Summit Group proposed a three-month pilot test of the new scheme, incorporating a revised reward element, and using an online platform to encourage more openness and collaboration.  <b>October 2014:</b> The Summit Group raised a number of questions regarding the proposed new scheme, and the software to be used.  <b>January 2015:</b> The Summit Group received a further report, resolving the issues raised at the earlier meeting, and recommending the running of a pilot test of the scheme.
2.	6 November 2013	<b>CIPFA Benchmarking: Legal Services</b> Next report on annual CIPFA benchmarking to show trend	Chamberlain	<b>January 2015</b> (report to Efficiency)	<b>October 2014:</b> Results for Finance, HR and Legal Services benchmarking being discussed with relevant Chief Officers.

EFFICIENCY AND PERFORMANCE SUB-COMMITTEE - Outstanding Actions (as at 15/1/2015)

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
		data; and areas where fees for specialist external legal services were increasing.		and Performance Sub Committee)	<p><b>January 2015:</b> A report on the 2013/14 indicators is presented to the Efficiency and Performance Sub Committee.</p> <p><b>DISCHARGED</b></p>
3.	2 July 2014	<p><b>Supplies &amp; Services/Third Party Payments</b> Members requested a further report to the Sub Committee following completion of the Internal Audit VFM review of consultancy fees and the joint work planned between internal audit and City Procurement on Professional, Management and Consultancy Fees.</p>	Chamberlain	<p><b>May 2015</b> (report to Efficiency and Performance Sub Committee)</p>	<p><b>October 2014:</b> The consultancy spend review is expected to be concluded in March 2015 and reported to the Sub Committee in May. City Procurement are currently analysing and investigating spend with consultants and temporary labour.</p> <p><b>January 2015:</b> The consultancy spend review is on target to complete in March 2015 and be reported to the Sub Committee in May. This work will be inclusive of work by Baker Tilly, focusing specifically on any tax implications.</p>

EFFICIENCY AND PERFORMANCE SUB-COMMITTEE - Outstanding Actions (as at 15/1/2015)

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
4.	2 July 2014	<p><b>Supplies &amp; Services/Third Party Payments</b>                      Members requested that the result of the detailed review of the Police Forensic Service Framework and Open Spaces Winter works by City Procurement with the relevant departments be reported back to the Sub Committee via this outstanding actions report.</p>	Chamberlain	<p><b>January 2015</b>                      (update to Efficiency and Performance Sub Committee)</p>	<p><b>October 2014:</b> The Police Forensic Services framework was extended for 12 months and City took the option to be part of this extension to allow time to consider alternative strategy for future contractual relationships, this will be progressed via the Police Procurement Working Group. <b>DISCHARGED.</b></p> <p>The Open Spaces winter works will be managed through the Land Management Category Board chaired by Director of Open Spaces - this specific item will managed at an appropriate time in relation to service priorities/risk and spend.</p> <p><b>January 2015:</b> City Procurement have reviewed the use of Winter Works jobs by Open Spaces. Lessons learned from their use has resulted in the development of a specification template for future use. <b>DISCHARGED</b></p>

EFFICIENCY AND PERFORMANCE SUB-COMMITTEE - Outstanding Actions (as at 15/1/2015)

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
5.	10 September 2014	<b>Oversight of Corporate Programmes</b> Members agreed that the Sub Committee would meet every two months.	Town Clerk	<b>October 2014</b>	<b>October 2014:</b> Dates for 2015 have been agreed and Members notified.  <b>January 2015:</b> A forward plan for 2015 is presented to the Efficiency and Performance Sub Committee.  <b>DISCHARGED</b>
6.	10 September 2014	<b>Oversight of Corporate Programmes</b> Members requested that a monitoring sheet and standard format for reporting be presented to the next meeting. (NB The November 2014 meeting of the Sub Committee was cancelled.)	Deputy Town Clerk	<b>January 2015</b> (report to Efficiency and Performance Sub Committee)	<b>October 2014:</b> A full report will be submitted to the Sub Committee in January 2015.  <b>January 2015:</b> Monitoring report presented to the Efficiency and Performance Sub Committee.  <b>DISCHARGED</b>
7.	10 September 2014	<b>Collaborative Services (City of London Corporation and City of London Police)</b> Members requested that the	Deputy Town Clerk	<b>March 2015</b> (report to Efficiency and	<b>September 2014:</b> The report was received by the Performance and Resource Management Sub (Police) Committee, who asked to receive future

EFFICIENCY AND PERFORMANCE SUB-COMMITTEE - Outstanding Actions (as at 15/1/2015)

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
		follow-up report tracking progress and savings make reference to consideration of sharing HR services, and cashable savings.		Performance Sub Committee)	follow-up reports (every six months). <b>January 2015:</b> Next report on track for March 2015.
8.	10 September 2014	<b>Central Support Service Costs and the Allocation or Apportionment to the City's Activities</b> Members agreed to receive a further report, within six months, on the review and updating of the methodologies for the recovery of costs, with the aim of improving the appropriateness of distributions.	Chamberlain	<b>March 2015</b> (report to Efficiency and Performance Sub Committee)	<b>October 2014:</b> A follow-up report will be submitted to the Sub Committee in March 2015. <b>January 2015:</b> Next report on track for March 2015.
9.	10 September 2014	<b>City of London Energy Fund</b> Members highlighted the need for a business case to be added to the report.	City Surveyor (with Chamberlain and Deputy Town Clerk)	<b>December 2014</b> (report to Finance Committee)	<b>December 2014:</b> The Finance Committee: - agreed an energy reduction target of 9% for the period 2014/15 – 2017/18;

EFFICIENCY AND PERFORMANCE SUB-COMMITTEE - Outstanding Actions (as at 15/1/2015)

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
					<ul style="list-style-type: none"> <li>- agreed that the City Surveyor should be tasked with bringing appropriate “invest to save” schemes through the Project Procedure;</li> <li>- agreed that the City Surveyor should be tasked with revising targets (annually) for individual Chief Officers based on their savings potential;</li> <li>- noted the work to establish an internal Energy Efficiency Fund (EEF) to provide funding of up to £0.5m for a trial period of 1 year for smaller energy efficiency projects; and</li> <li>- noted the recommendations of the Strategic Energy Review.</li> </ul> <p>A bid detailing the EEF proposal and how the funding will be resourced will be made to Resource Allocation sub-Committee in the near future.</p>

<b>Committee:</b> Efficiency and Performance Sub Committee	Date: <b>27<sup>th</sup> January 2015</b>
<b>Subject:</b> CIPFA VFM indicators 2013/14	<b>Public</b>
<b>Report of:</b> The Chamberlain	<b>For Information</b>
<b><u>Summary</u></b>	
<p>This report outlines the CIPFA Public Sector Corporate Services VFM Indicators for Finance between 2013/14 (the latest available statistics) and also compares movements to the previous submission for 2011/12. It also outlines the CIPFA VFM Indicators for HR and Legal Services. The comparator base used is other London Boroughs.</p> <p>Overall Finance, HR and Legal Services score well on embedding modern practices and on impact in the organisation. However, all three departments are relatively high cost compared to other local authorities in the comparator group due to the nature of our corporate structure, the mix of work undertaken and the strategic prioritisation of activities that other local authorities have cut back on, such as training.</p> <p>Going forward, the Chamberlain is focused on securing further efficiencies through process re-engineering and system improvements, improving the financial management information to service users, ensuring appropriate professional development of staff and considering the results of the recent user satisfaction survey.</p> <p>The Comptroller and City Solicitor focus on improving efficiency is mainly through better demand management, but also exploring possible shared service arrangements where practicable.</p> <p>The Director of HR is focusing on a number of areas going forward, including ways to buy cheaper through the HR procurement category board and the use of the City Procurement Service, doing things differently for instance merging some training service with IS, and reviewing the return on investment in training to ensure we can demonstrate value to the organisation.</p>	
<b>Recommendation</b> That members note the report.	

## **Main Report**

### **Background**

1. Members have previously been presented with the CIPFA Public Sector Corporate Services VFM Indicators for Finance function 2011/12. In 2011/12 the following bodies were included in the comparator base : Barking, Barnet, Hackney, Harrow, Havering, Lambeth, Newham, Redbridge and Waltham Forest. The comparators in 2013/14 were Barnet, Hackney, Haringey, Harrow and Newham.

- 2 The CIPFA Finance data for 2013/14 is now available and is presented in Appendix A. The report has been analysed and compared with the 2011/12 submission to monitor changes and identify any areas of continuing concern.
3. We have also submitted returns for HR and Legal services, which include data for 2013/14. These reports are set out at Appendices B and C. The Comptroller and City Solicitor and the Director of HR have been consulted as part of the analysis.

## Finance

4. The Public Sector Corporate Services VFM Indicators for Finance Services in 2013/14 compare the City Of London Corporation data with Other Unitary local authorities. The key messages from the analysis are:
  - Although the City still appears expensive on elements of the economy and efficiency indicators the position has improved from last year;
  - Many of the secondary indicators around the efficiency of the Finance function remain as positive as they were in 2011/12;
  - Best practice organisations ensure that the totality of their spend is allocated against outputs, supported by key metrics which measure performance with clear lines of accountability. The City, like the majority of the comparator group, has not attempted to align spend to outputs and it remains a key challenge to put in place a comprehensive suite of KPI's linked to fully costed outputs; and
  - Modern practices are well embedded compared to other authorities.

Table 1 – Key Finance Statistics

Indicator	Description	2013/14	2011/12
FP1	Cost of Finance function in relation to size of organisation	1.6%	1.8%
FS1	% of staff professionally qualified	22.8%	35.6%
FS5	Credit notes as % of invoices	6.7%	7.8%
FS8	% of outstanding debt more than 90 days old	11.0%	12.3%

5. Indicator FP1 relates to the cost of the finance function in relation to the size of the organisation as measured by the resources being managed. On that basis the City of London finance function is calculated to cost 1.6% of the overall organisational spend. This is an improvement on a figure of 1.8% for 2011/12 however this is still a 'red light' in CIPFA terms as it compares unfavourably with an average of 1.0%. The Committee structure of the City means that the City is always likely to be significantly more expensive than local authority comparators. However, it is recognised that two of the main financial systems are no longer fit for purpose. Replacement/upgrades to the Manhattan and Oracle systems are being implemented to allow significant efficiencies as outlined in the Service Based Review to be realised in the Finance team.



6. Given this high level of overall finance spend, Indicators FP1 (a) to (c) seek to show whether the correct proportion of the finance activity cost is allocated between transaction processing, business decision support and the cost of reporting and controls. In 2011/12 City had two amber light issues in this area – the proportion of spend on reporting and control was deemed too high and the proportion on supporting business decisions was too low. In 2013/14 as a result of the successful embedding of the reorganisation following the Strategic Finance Review, both of these issues have moved into the green. The percentage spend on transaction processing is very marginally higher than the London average which has pushed that indicator to the Amber in 2013/14, however significant cost reduction measures are proposed in this area as part in the Service Based Review.
7. One area of concern previously was Indicator FS5 which relates to amount of credit notes raised as a % of total customer invoices raised. This figure was 6.4% in 2010/11 and in 2011/12 this increased to 7.8%. It has now fallen back to 6.7% in 2013/14, below the London average of 7.5%.
9. FS 6 shows the cost of accounts payable to be high when compared to the group. The City has invested in 3rd party consultancy support during the last 36 months to assist with the transformation of procurement including centralising the function from 18 departments. The service is now transitioned fully to City resource only. This coupled with greater compliance, higher levels of PO for easy matching, e-Invoicing and a greatly reduced amount of suppliers contracted should see this cost reduce significantly. Indicator FS9(a) show the % invoices for commercial goods & services paid by the organisation within 10 days of receipt (CoL figure is 60.6% compared with the average of 68.6%). This lagging metric is primarily down to a historic culture of not raising Purchase Orders (PO). The implementation of No PO No Pay on 1st April 2015 should see performance increase significantly. It should be noted that in instances where a PO is raised we have a 80% payment with 10 days performance level. Indicator FS9(b) shows the % invoices for commercial goods & services paid by the organisation within 30 days of receipt (CoL figure is 88.6% compared to the average 90.0%). Again, this lagging metric is primarily down to a historic culture of not raising Purchase Orders (PO). It should be noted that in instances where a PO is raised we have a 95% payment with 30 days performance level.
10. Indicator FP4 relates to the % of the organisational expenditure for which there are fully costed outputs which are measured by key performance indicators and for which a named individual is accountable. High performing organisations are likely to ensure that the totality of their spend is allocated against outputs, supported by key metrics which measure performance with clear lines of accountability. The City has not attempted to outline spend to outputs in the past and it remains a key challenge to put in place a comprehensive suite of KPI's linked to fully costed outputs.
11. Indicator FS1 sets out the % of finance staff that are professionally qualified. The City of London figure is 22.8% which is below the average of 35.6% however a renewed professional training and development programme has recently been introduced that should see this mix change in forthcoming years. Approximately 17% of Financial Services Division staff are currently training for a professional qualification.

12. Indicator FS8, the percentage of outstanding debt that is more than 90 days old from the date of the invoice, remains well below the average of 30.8% and has decreased from 12.3% in 2011-12 to 11.0% in 2013-14.
13. Note that during 2013/14 no User Satisfaction surveys were carried out however the Chamberlain has recently carried out such a survey and the management team are now considering the findings.
14. The City also scored very well for using modern finance practices as set out in Indicator FP7 with a score of 8 out of 10. Of the two management practices scores not met, one (FMP10) was failed only marginally as the number of days received by Finance staff for continuing professional development falls only slightly below the 5 day requirement. This requirement will be pursued through the department's training committee.
15. The Chamberlain is focused on a number of areas going forward, securing further efficiencies through process re-engineering and system improvements, as set out in more detail in the Service Based Review proposals. From June 2015 we will also be improving the financial management information to service users following the Oracle R12 upgrade in February.

## **Legal Services**

17. The Public Sector Corporate Services VFM Indicators for Legal Services in 2012/13 compare the City Of London Corporation data with Other London Boroughs. The key messages from the analysis are:
  - The City appears expensive on the economy and efficiency indicators;
  - The legal services provided by the Comptroller and City Solicitor are very highly regarded; and
  - Modern practices are well embedded.
18. There are four main indicators relating to the economy and efficiency of the legal service and the City of London is in the most expensive quartile for three out of four.
  - The Indicator LS1(a) expresses the cost of the legal services function as a percentage of organisational running costs. The City of London percentage of 0.85% is almost double the average, but slightly less than the 0.92% in 2011/12.
  - Indicator LS1 (b) is very similar but compares costs net of income as a percentage of organisational running costs. Again the City figure of 0.68% is well above the London comparator average of 0.51%.
  - Indicator LS5 sets out the cost of the legal function per employee - the City figure of £931 is below the average of £1,107.
  - Indicator LS8 sets out the cost per hour of providing legal work. The City figure of £91 is again above the average of £88.
19. The in house City service appears to be more expensive than the comparator group of in house local authority teams. However, the nature and range of

legal services required by the City and provided by the Comptroller and City Solicitor are very different from those required by London Boroughs.

Roughly a third of the Department's lawyers are deployed to undertake commercial property work and they are expected to deal on equal terms with partners in City Law firms. Similarly the planning law team deal with complex and high value developments on a day to day basis. The Department also has a much higher number of lawyers specialising in public and administrative, electoral and charity law than the Boroughs due to the City's unique and complex nature. On the other hand, the Department has no specialist lawyers dealing with social services (child protection and adult social care) or maintained schools whereas London Boroughs all have sizeable teams devoted to such areas.

The nature of the work means that the Corporation needs to recruit and retain first class lawyers. The commercial and/or highly technical nature of the work means that the Corporation needs to offer higher salaries than London Boroughs to attract the right talent. Commercial law traditionally has higher salary levels than child protection and social care law.

Our geographic proximity to the mayor law firms and the nature of the work means that the Department is competing with the City practices as well as local government for the best lawyers. Retaining appropriately qualified and experienced staff is one of the main risk factors on the Department's risk register.

20. Looking at the drivers underpinning the cost of legal services, the highest cost is employee costs and this is further supported by the LS5 indicator on cost of the legal function per employee. Rates are also high for the cost per hour of providing legal work (LS8). However when compared against known benchmarks, for example the average hourly rate given in the Bromley framework of £85-£280 and the London Boroughs Legal Alliance of £100-£245, the City compares very favourably with a rate of £50-£120. Private sector hourly rates for the type of casework undertaken are in the region of £200 to £400 plus for an experienced practitioner. The Department thus compares very favourably with private practice in terms of value for money and quality.
21. The City costs are also driven by its location in terms of the accommodation costs and by the high level of investment in training and development as part of the recharge from HR.
22. Staff numbers have been reduced from 72 in 1989 to 54. Over that time the demand for legal services has increased, particularly in relation to employment, procurement, information law and planning. The Comptroller's focus on improving efficiency is mainly through improved internal demand management and procurement of external lawyers (when used) through properly tendered framework agreements.
23. The Department is also considering whether opportunities exist for further income generation (above the £600k currently generated mainly from property developers and s106 funds) and areas where shared services might be appropriate. However, opportunities for shared services are limited as it depends on developing excess capacity in the specialist fields practised.

the Department's agreed Service Based Review proposals include additional income from external clients and legal fees, totalling £220k by 2016/17.

24. The levels of satisfaction with the legal service is very high as shown by Indicators LS3(a) and LS3(b). The City also holds the LEXCEL Quality Assurance accreditation and the LS4 indicator concerning use of Modern Practices in the City scores 10 out of 10.

## Human Resources

25. The Public Sector Corporate Services VFM Indicators for Human Resources in 2012/13 compare the City Of London Corporation data with Other London Boroughs. The key messages from the analysis are:

- The City appears expensive on the economy and efficiency indicators;
- The City invests in employees development, has low sickness rates and staff turnover; and
- Modern practices are well embedded.

26. There are two main indicators relating to the economy and efficiency of Human Resources:

- Indicator HRP1(a) sets out the HR cost as a percentage of organisational running cost. The City of London figure of 0.57% is below the average of 0.74%.
- Indicator HRP1(b) calculates the overall HR cost per FTE. Against this measure the City's figure of £930 is slightly above the average of £924.

27. There are number of factors influencing the cost of the service. The make-up of the City is unusual in that the HR department has to respond to customers such as COL Police, the Barbican and the three schools who all have differing needs and expectations. Furthermore, there was a strategic decision to keep the level of investment in the training and development at a high level, albeit with a significant rationalisation in how this training is delivered.

9. The Cost of agency staff as a percentage of the total pay bill as set out in Indicator HRS2 was 9.9% against an average of 9.1%.

30. There are favourable responses in terms of the Impact of the HR function.

- Indicator HRP3 shows the City to on the average for investing in employees' development.
- Staff turnover, as shown by Indicator HRP4, is 6.8% ; nearly half the London average. However, staff low staff turnover may not necessarily be a good thing as it can reflect a 'stagnant' organisation so this does require careful monitoring.
- Indicator HRP5 shows the average working days per FTE lost annually through sickness at 5.6% to be below the average of 8.4%. This is a result of initiatives such as the Sickness Absence Review Group- which was established to support line managers in the formal sickness processes.

- 96% of staff have an annual face to face appraisal compared to an average of 69% across other London Boroughs. Note this statistic is based on staff appraised against total staff, however not all staff are eligible for appraisal (new starters, casual staff etc) which is the main reason this is not 100%.
31. Also within the impact section there are indicators which look less favourable. HRS4 shows the elapsed time from a vacancy occurring to the acceptance of a post, with 88 days against an average of 63.7. Note the City figure is based on the average days from the time the post was requisitioned to when the person is due to start, as this is what our systems are set up to measure. The London average however is measured from the requisition date to the date the offer for a post is accepted. This is likely to account for a significant proportion of the discrepancy.
  32. There are a number of indicators which relate to the equality and diversity agenda - HRS10 to HRS13. These indicators are regularly monitored by Establish Committee and so no comment is made in this report.
  33. Note that during 2013/14 no User Satisfaction surveys were carried out.
  34. The City also scored very well for using modern HR practices as set out in Indicator HRP7 with a score of 9 out of 10. Note the HR department continues to receive Investors in People accreditation, which a number of other local authorities have been unable to maintain.
  35. The department is focusing on a number of areas going forward, including ways to buy cheaper through the Procurement HR category board and the use of the City Procurement Service, doing things differently for instance merging some training service with IS, and reviewing the return on investment in training to ensure we can demonstrate value to the organisation.

### **Background Papers:**

36. VFM indicators – economy of finance unit reported to 3<sup>rd</sup> February 2012 Committee

**Contact:**

*Caroline Al-Beyerty*  
*Financial Services Director*  
[caroline.al-beyerty@cityoflondon.gov.uk](mailto:caroline.al-beyerty@cityoflondon.gov.uk)  
Tel. 0207 332 1164

*Mark Jarvis*  
*Head of Finance, Unit 4*  
[mark.jarvis@cityoflondon.gov.uk](mailto:mark.jarvis@cityoflondon.gov.uk)  
Tel 0207 332 1221

This page is intentionally left blank

**Public Sector Corporate Services VfM Indicators**  
**Finance**  
**2013/14**

**City of London Corporation**

*compared with*

With Other London Boroughs

Copyright:  
CIPFA Business Ltd  
3 Robert St, London, WC2N 6RL  
Tel: 020 3117 1840

## Preface

The UK Audit Agencies (Audit Commission, NAO, Audit Wales, Audit Scotland and Northern Ireland Audit Office) combined together to develop a set of indicators to measure the value for money of support services across the public sector. KPMG, with CIPFA as a partner, was appointed to undertake the research and development work and the Audit Agencies published their report in May 2007.

The functions covered by the VfM indicators (Communications, Finance, HR, ICT, Legal, Estates Management and Procurement) have been identified by the Government as a priority area for securing efficiency improvements and releasing resources for use in delivering front-line services. Although the Audit Agencies were keen for public sector bodies to use the indicators, they decided not to offer a benchmarking service themselves. CIPFA has therefore undertaken to provide this service to the public sector.

I hope that you find the enclosed information useful, and more importantly that you use it in the spirit in which it is intended; this is a tool to help you take a view on the value for money provided by your corporate support services, and provide some pointers as to how they might improve.

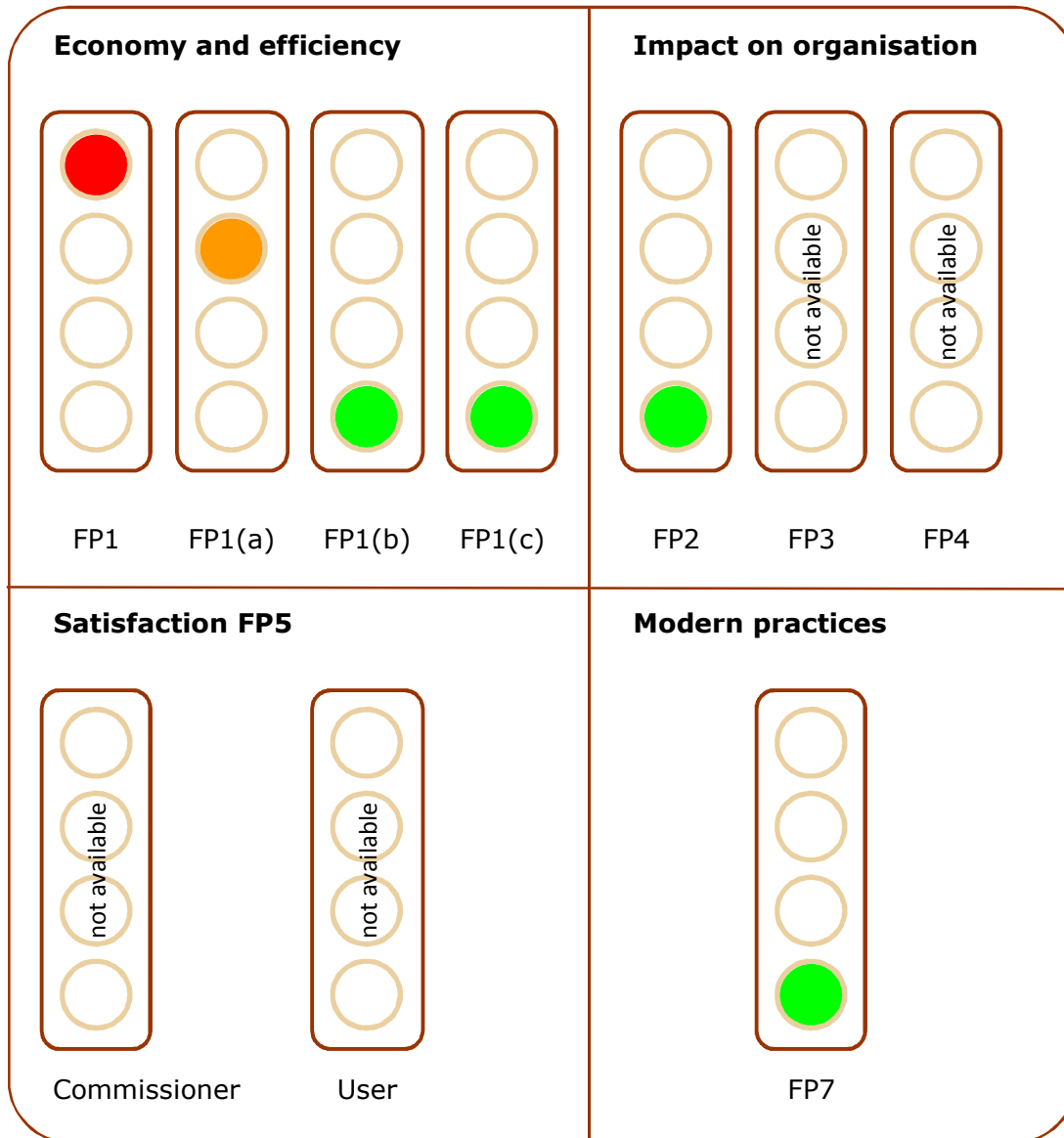
CIPFA would be more than happy to come and discuss with you potential opportunities for you to improve your services, building on the information in this report. Please do not hesitate to contact us at [vfmindicators@cipfa.org](mailto:vfmindicators@cipfa.org) if you would like to discuss this or any other matters further.

John Parsons  
Benchmarking Manager



## RESULTS ON ONE PAGE

The Audit Agencies developed an approach to considering Value for Money for Corporate Services which had four dimensions. The overall results are shown below:



### Notes:

- A green light indicates performance in the best quartile; a yellow light indicates performance between the median and best quartile; an amber light indicates performance between the median and worst quartile and a red light indicates performance in the worst quartile.
- For the purposes of this report, high cost and low productivity are considered poor. However, we accept this is a generalisation and that in some circumstances organisations can choose to invest more in functions because they have under invested in the past or because they want to place particular emphasis on a function.
- Full descriptions of the indicators are shown in the remainder of this report.
- The FP7 indicator shown for modern practices was optional for organisations using the CIPFA Financial Management Model.

# Section 1 - ECONOMY AND EFFICIENCY

## FP 1 Cost of the Finance function

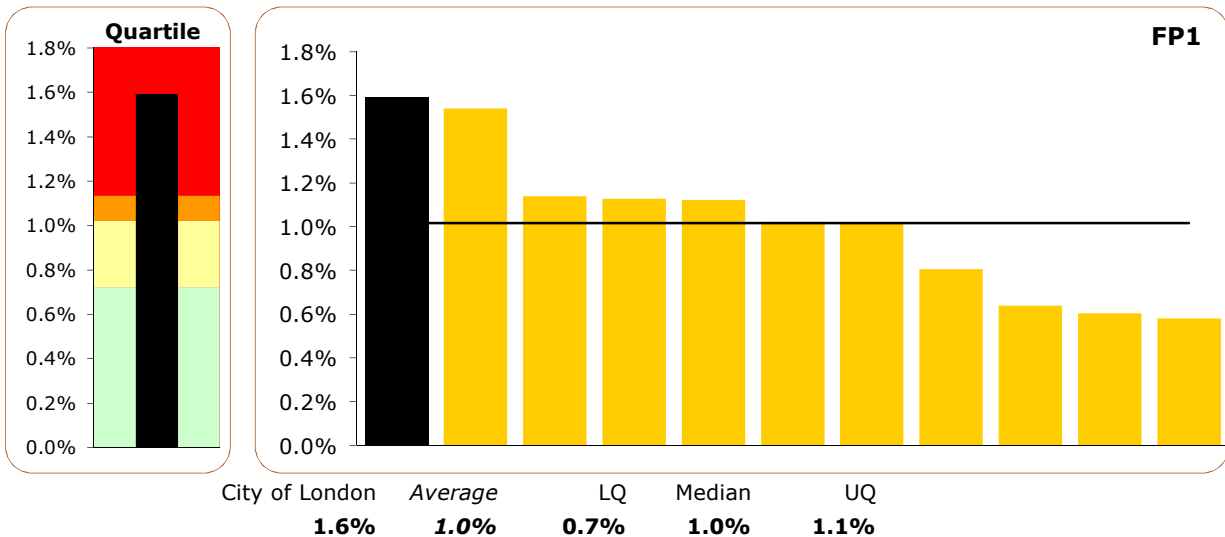
### Rationale and expected impact on behaviour

A standard and commonly used indicator that seeks to establish whether the costs of running the finance function are in proportion to the resources that are being managed. Measurement of the total cost of the finance function as a percentage of overall spend allows management to monitor closely the finance cost of their organisation and could be used to track trends across any given time-frame.

Measurement of the cost of transaction processing and business decision support enables organisations to understand the resources devoted by finance on 'value added' activities as a proportion of finance cost.

Over time, organisations should expect to reduce expenditure on transaction processing as a percentage of the total cost of the finance function. Similarly they should expect to increase the percentage of the total cost of the finance function spent on business decision support.

### FP1 Finance function cost as % of organisational running costs



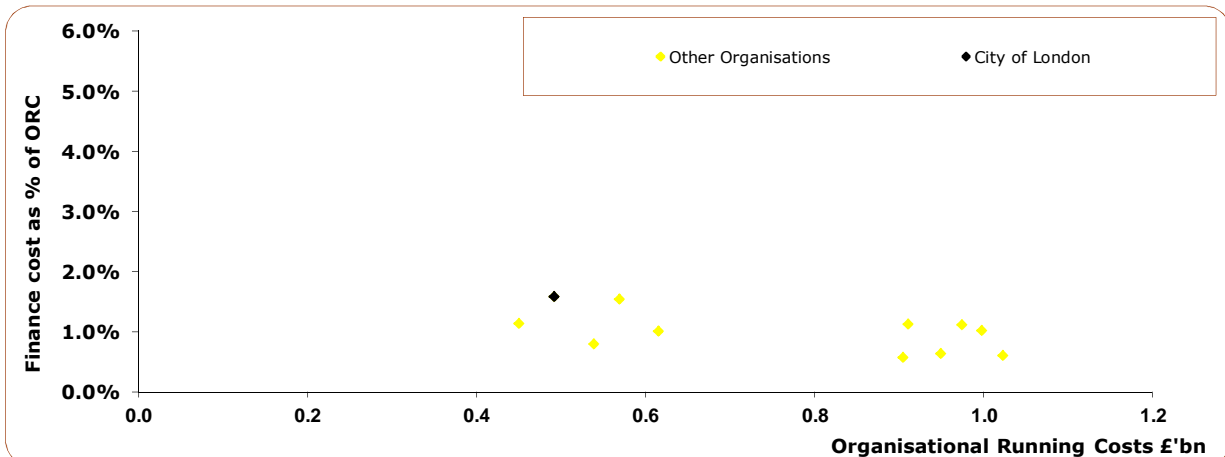
### Cost of Difference

This shows the monetary value represented by the difference in percentage from the median (and lower quartile). Favourable variances are shown as negative figures.

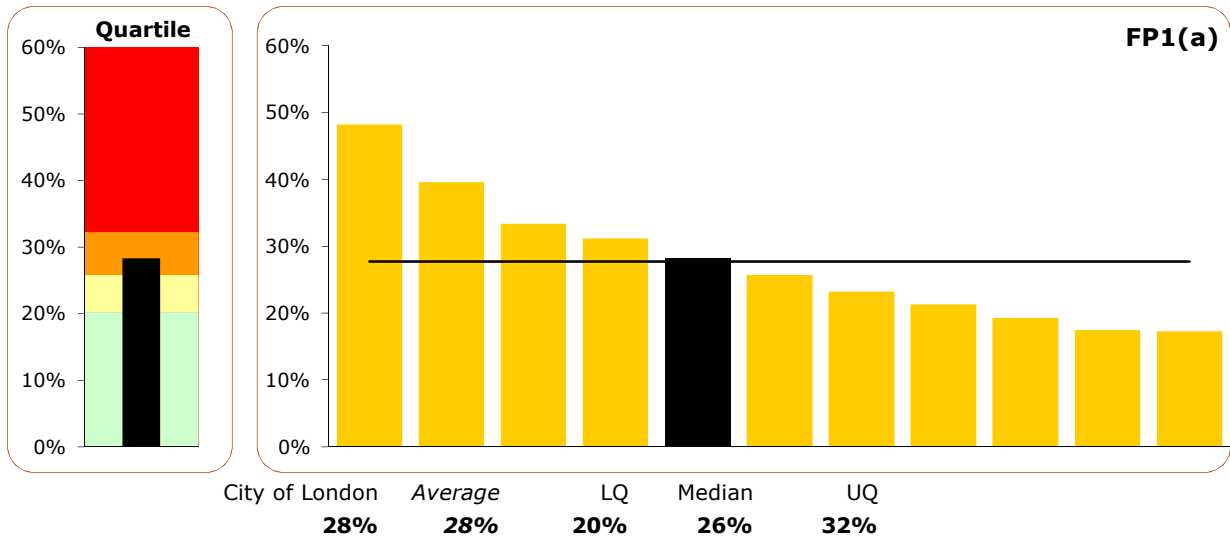
From median (£'000) **£2,783** From lower quartile (£'000) **£4,265**

### Economies of Scale

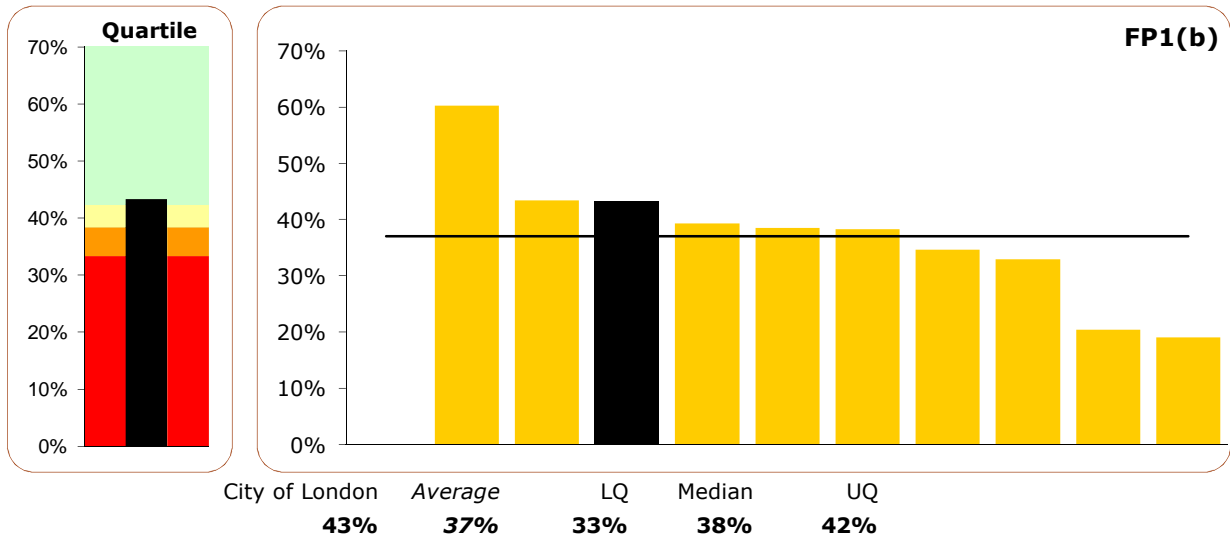
This chart investigates the relationship between cost and size of the organisation. There is some indication that very small organisations tend to use a higher proportion of their resources on the Finance function.



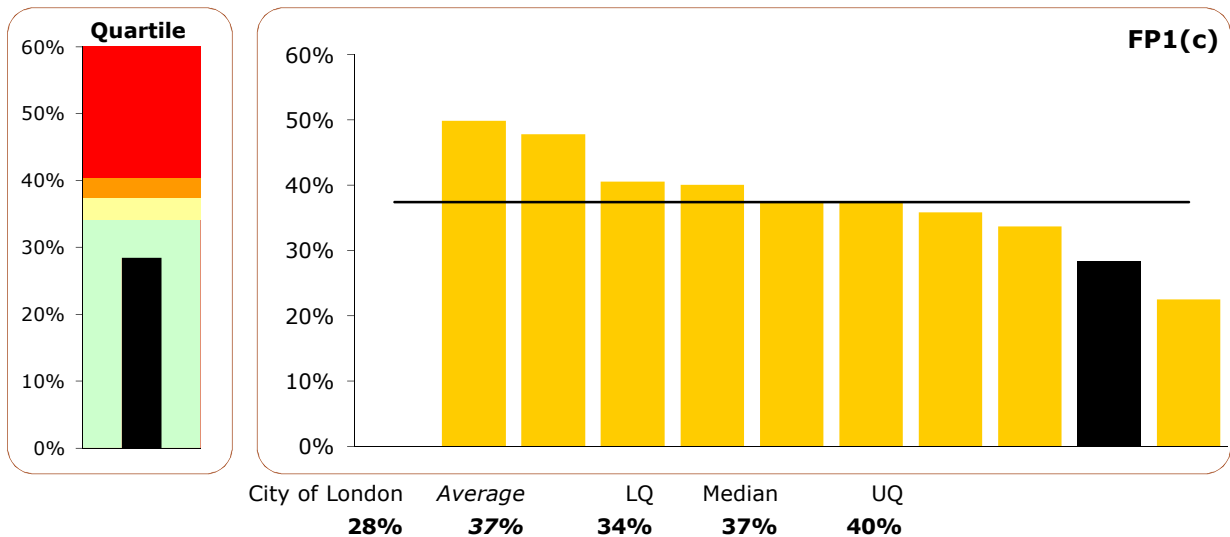
**FP1(a) Transaction processing cost as a percentage of finance function costs**



**FP1(b) Business decision support cost as a percentage of finance function costs**



**FP1(c) Cost of reporting and control as a proportion of finance function costs**



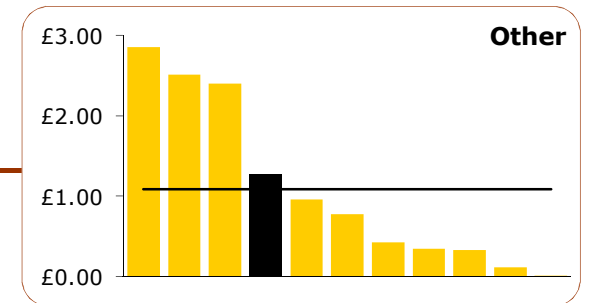
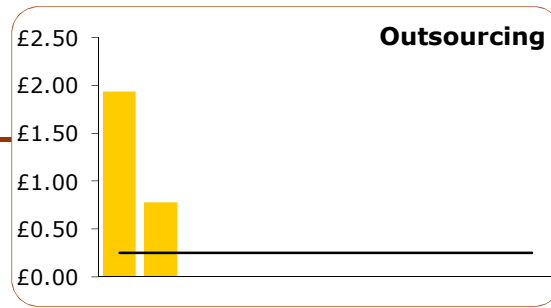
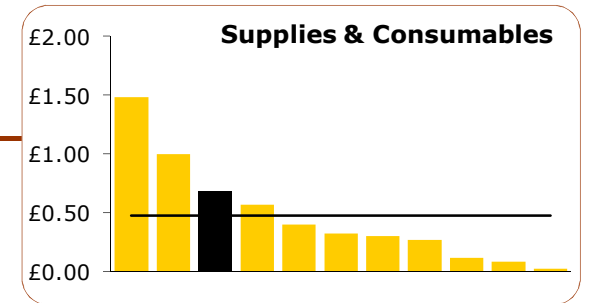
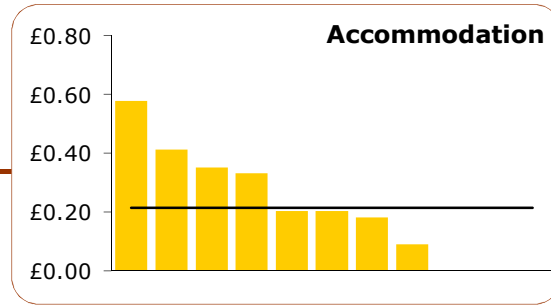
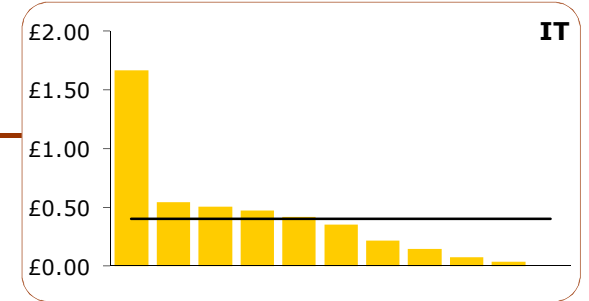
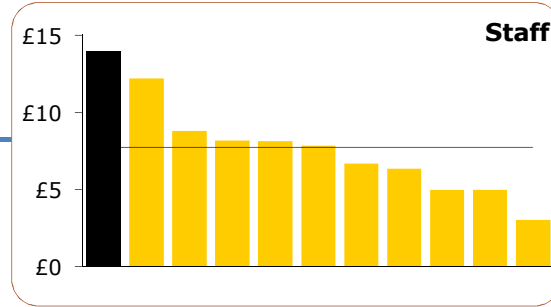
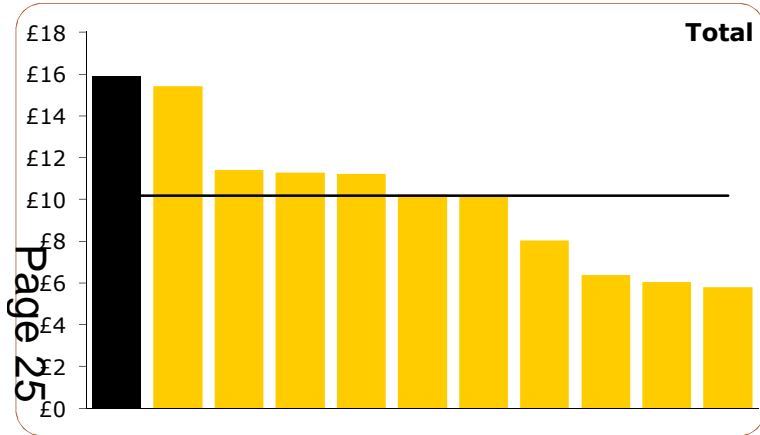
### Finance cost/£'000 Organisation running costs 2013/14

For each benchmark two figures are given, the first being the organisation's cost and the second (in italics) is the group average.

<b>Total Cost</b> <b>£15.90    £10.17</b>	<b>Staff</b> <b>£13.95    £7.74</b>	<table border="1"> <thead> <tr> <th colspan="2">Costs 2013/14 (£'000)</th> </tr> </thead> <tbody> <tr> <td>Staff</td> <td style="text-align: right;">6,852</td> </tr> <tr> <td>IT</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Accommodation</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Supplies &amp; Consumables</td> <td style="text-align: right;">335</td> </tr> <tr> <td>Outsourcing</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">624</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b>7,811</b></td> </tr> <tr> <td colspan="2" style="border-top: 1px solid black;"> <b>Organisational running costs</b> </td> </tr> <tr> <td colspan="2" style="text-align: right;"><b>491,300</b></td> </tr> </tbody> </table>	Costs 2013/14 (£'000)		Staff	6,852	IT	-	Accommodation	-	Supplies & Consumables	335	Outsourcing	-	Other	624	<b>Total</b>	<b>7,811</b>	<b>Organisational running costs</b>		<b>491,300</b>	
	Costs 2013/14 (£'000)																					
	Staff		6,852																			
	IT		-																			
	Accommodation		-																			
	Supplies & Consumables		335																			
	Outsourcing		-																			
Other	624																					
<b>Total</b>	<b>7,811</b>																					
<b>Organisational running costs</b>																						
<b>491,300</b>																						
<b>IT</b> <b>£0.00    £0.40</b>																						
<b>Accommodation</b> <b>£0.00    £0.21</b>																						
<b>Supplies &amp; Consumables</b> <b>£0.68    £0.48</b>																						
<b>Outsourcing</b> <b>£0.00    £0.25</b>																						
<b>Other</b> <b>£1.27    £1.09</b>																						

# Finance Cost per £'000 Organisational running costs

2013/14 Actuals



## Secondary Indicators

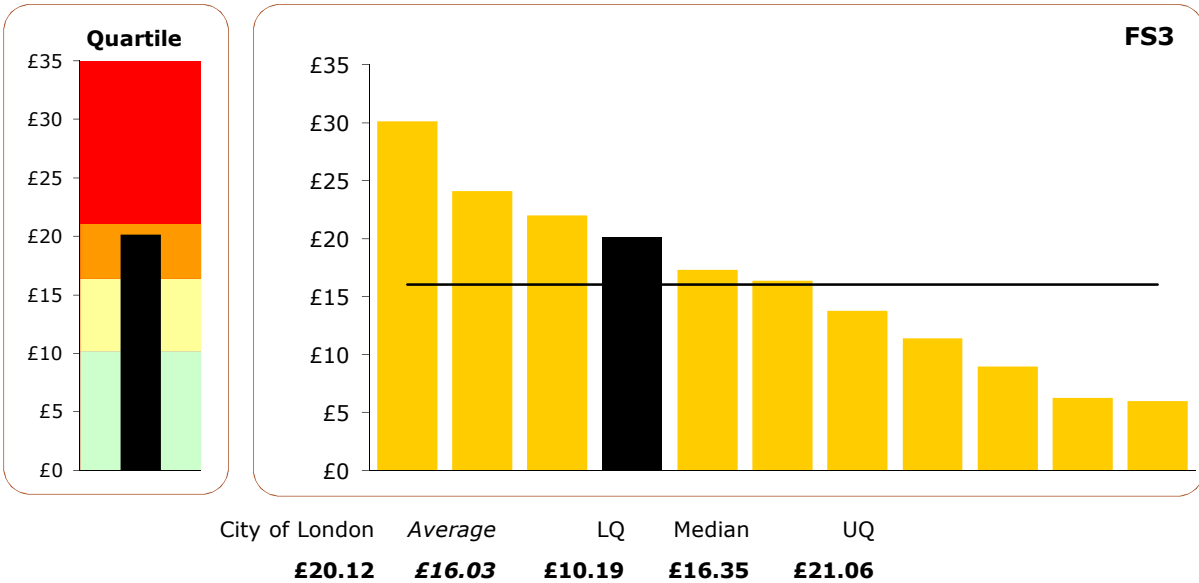
### FS3 Cost of Customer Invoicing function per customer invoice

#### Rationale and expected impact on behaviour

A standard and commonly used indicator that examines the efficiency of the invoicing function by identifying the cost of raising each customer invoice. Organisations should interpret achievement against

this indicator alongside secondary indicators 5 (credit notes as a percentage of invoices raised) and 6 (cost of Accounts Payable per invoice processed).

In most cases organisations should aim for a period-on-period reduction in the average cost of invoice processing. This indicator could additionally suggest the minimum value for which an invoice should be raised.

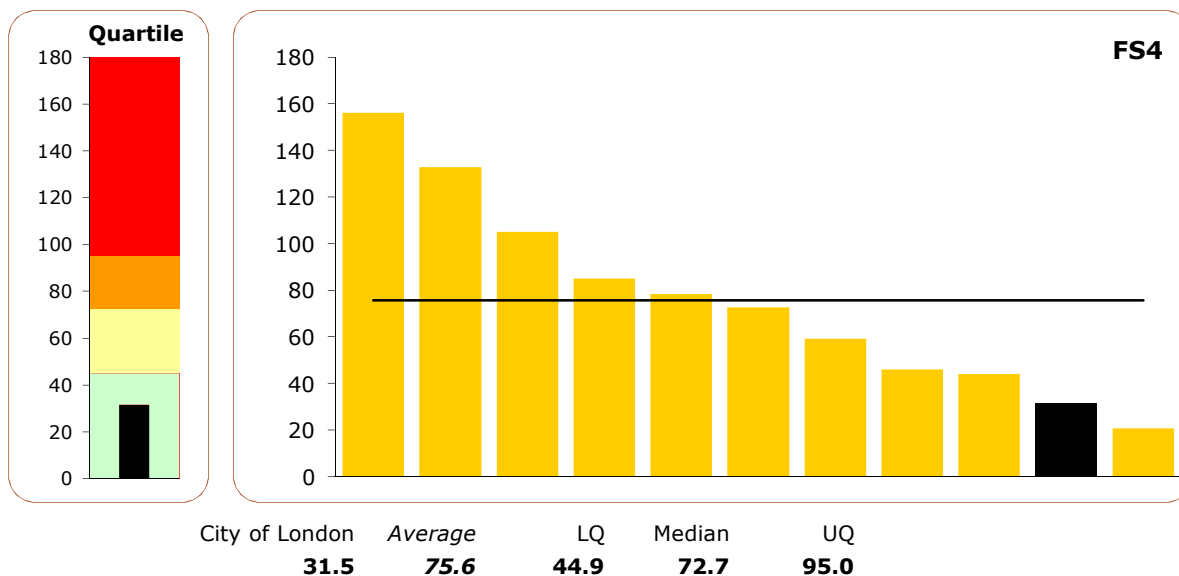


### FS4 Debtor days

#### Rationale and expected impact on behaviour

A standard and commonly used indicator that identifies the average number of days for the organisation to receive payment for its invoices.

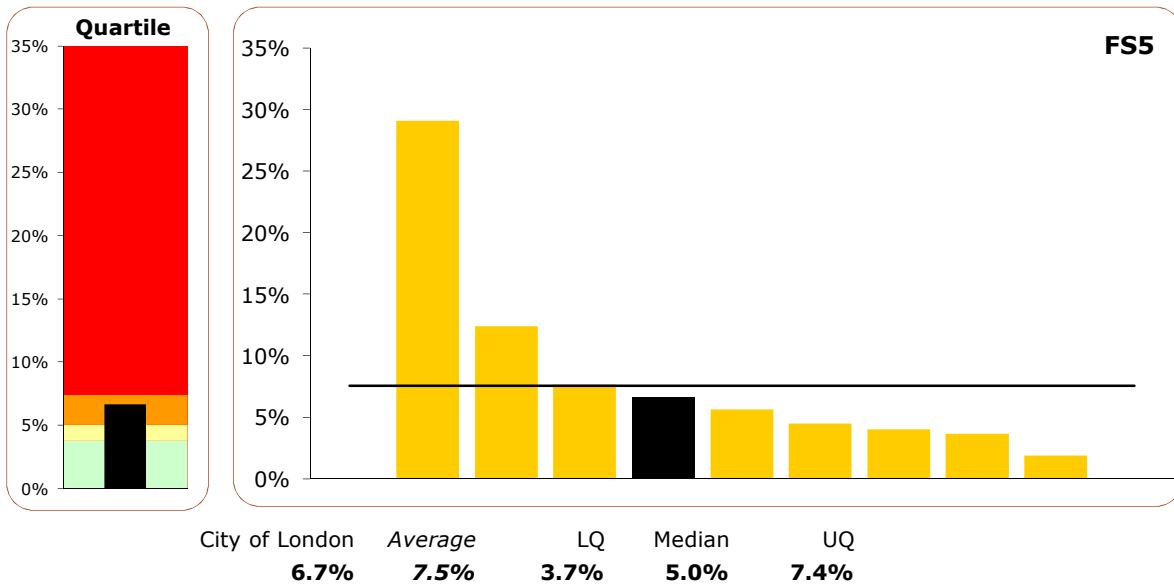
Organisations should aim to achieve a period-on-period reduction in average debtor days.



## FS5 Credit notes as a % total customer invoices raised

### Rationale and expected impact on behaviour

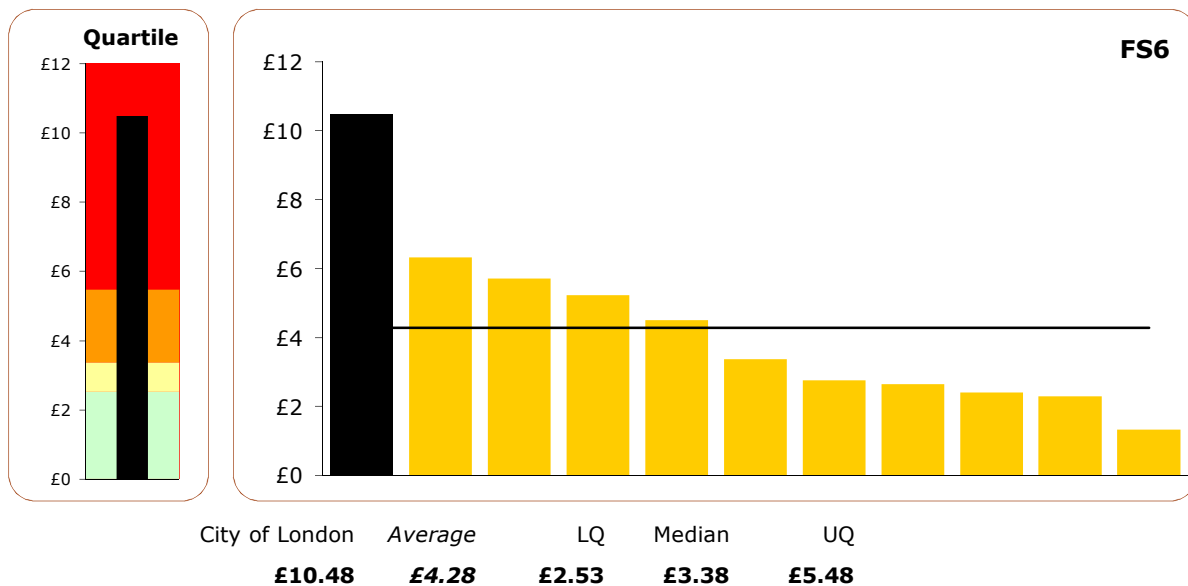
This indicator examines the accuracy of invoices raised by reviewing the number of credit notes required to make adjustments to invoices previously raised. Organisations should aim to achieve a period-on-period reduction in the percentage achieved for this indicator. Organisations should interpret achievement against this indicator alongside secondary indicators 3 (cost per customer invoice processed) and 6 (cost of Accounts Payable per invoice processed). (Note: The indicator is being used as a proxy for accuracy although it is recognised that organisations may use other mechanisms to make adjustments).



## FS6 Cost of Accounts Payable per accounts payable invoice processed

### Rationale and expected impact on behaviour

A standard and commonly used indicator identifying the cost of processing each supplier invoice. Organisations should aim to achieve a period-on-period reduction in the cost achieved for this indicator. Organisations should interpret achievement against this indicator alongside secondary indicators 3 (cost per invoice raised) and 5 (credit notes as a percentage of invoices raised).

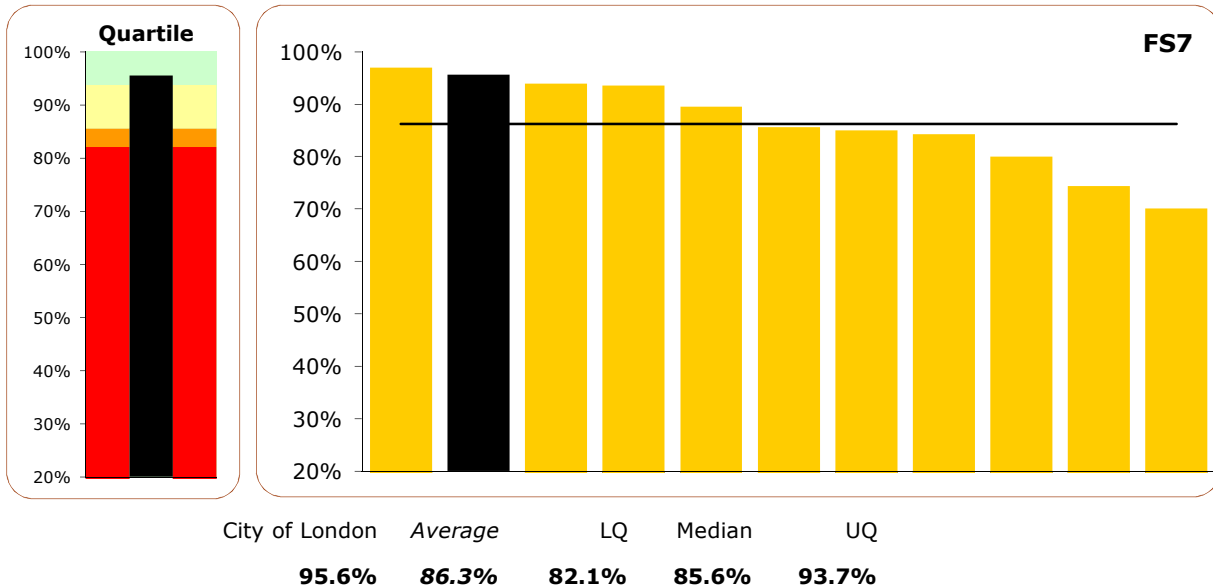


## FS7 % payments made by electronic means

### Rationale and expected impact on behaviour

This indicator identifies the proportion of all payments made electronically, particularly with respect to BACS and RfT1, since these methods usually offer the most effective savings of time and cost compared with manual payment systems.

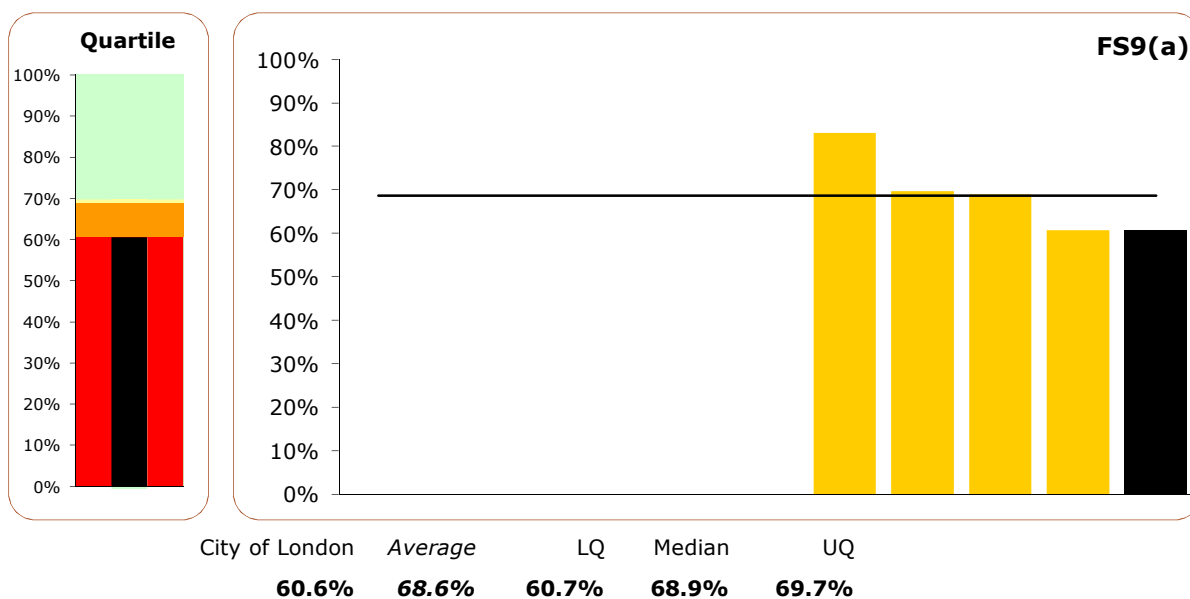
In most cases organisations would seek to achieve a period-on-period increase in the proportion of payments made electronically.



## FS9(a) % invoices for commercial goods & services paid by the organisation within 10 days of receipt

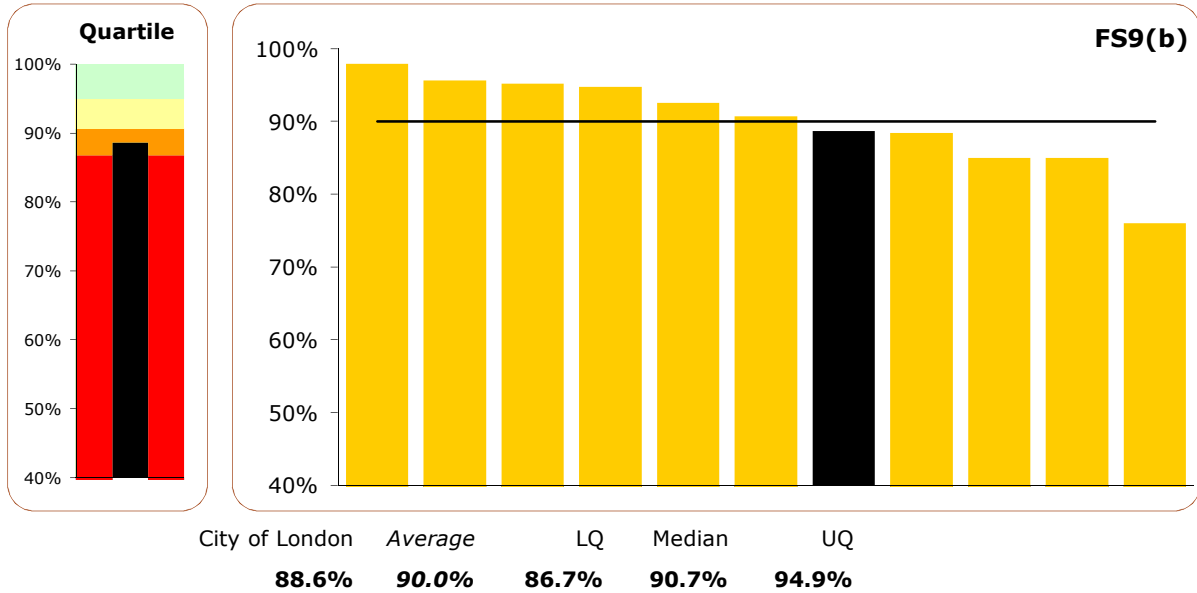
### Rationale and expected impact on behaviour

A standard and commonly used indicator that identifies the proportion of invoices that an organisation pays within 10 days and 30 days or within the agreed payment terms. To encourage prompt payment of invoices received. Performance should be within the appropriate prompt



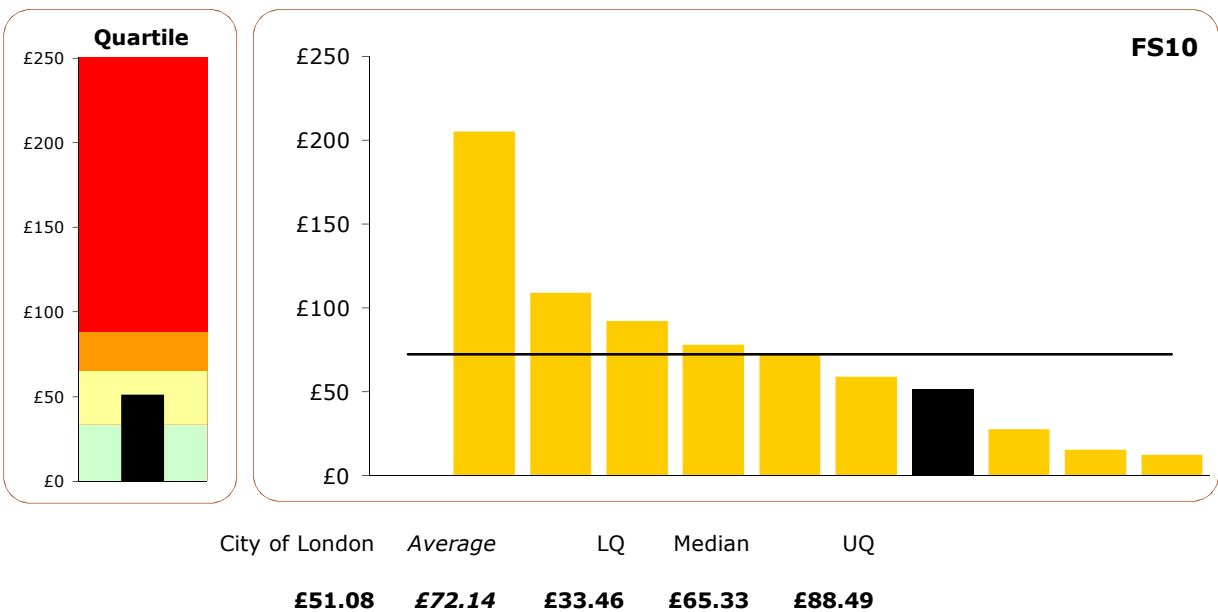


**FS9(b) % invoices for commercial goods & services paid by the organisation within 30 days of receipt or within the agreed payment terms**



**FS10 Payroll admin cost per employee paid**

**Rationale and expected impact on behaviour**  
 A standard and commonly used indicator that seeks to establish the cost of paying one single employee as an indicator of the cost effectiveness of the payroll function. In most cases organisations should aim for a period-on-period reduction in the average cost. (Note: This function may be a responsibility of HR in some organisations. In these instances the indicator should accordingly be completed by HR)

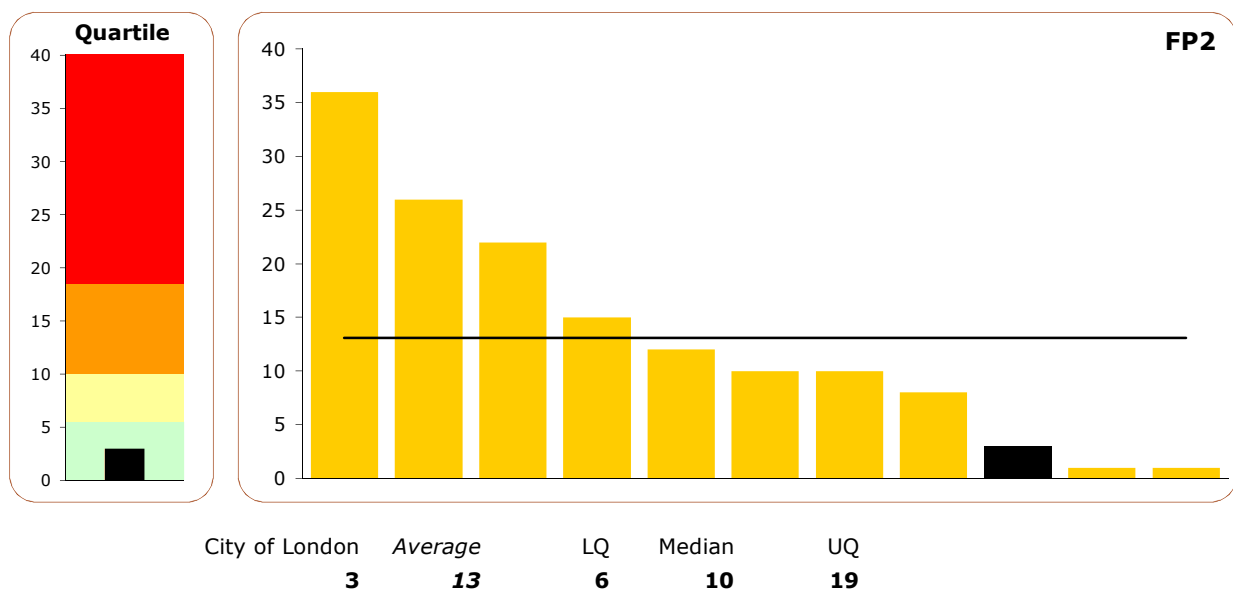


## Section 2 - IMPACT

### FP2 Days from period-end closure to distribution of routine financial reports to budget managers and overseeing boards and committees

#### Rationale and expected impact on behaviour

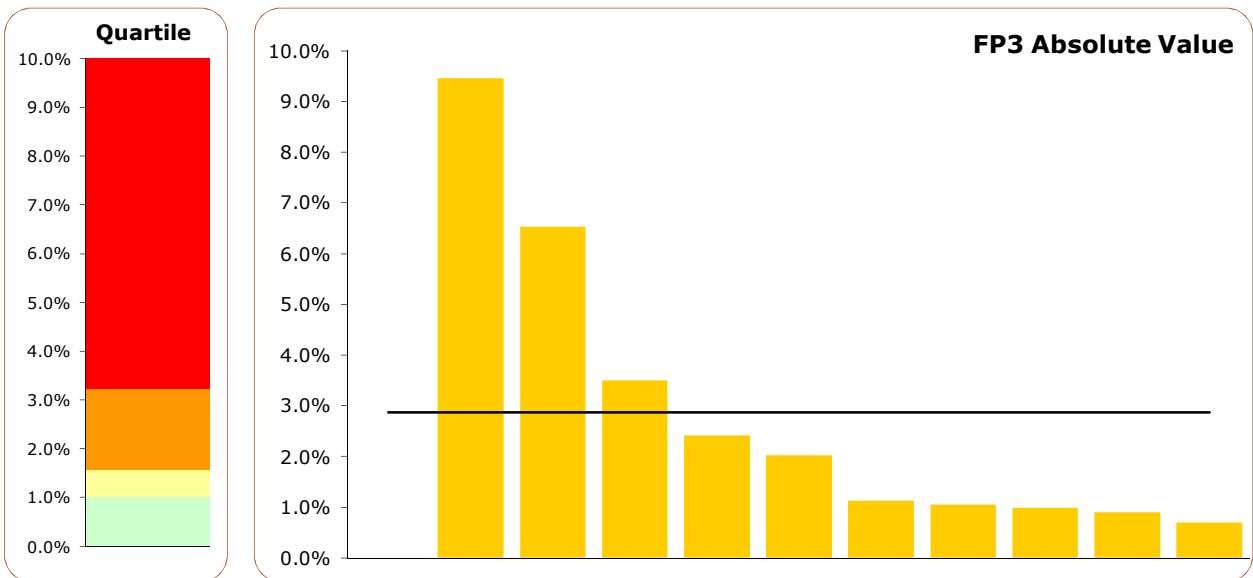
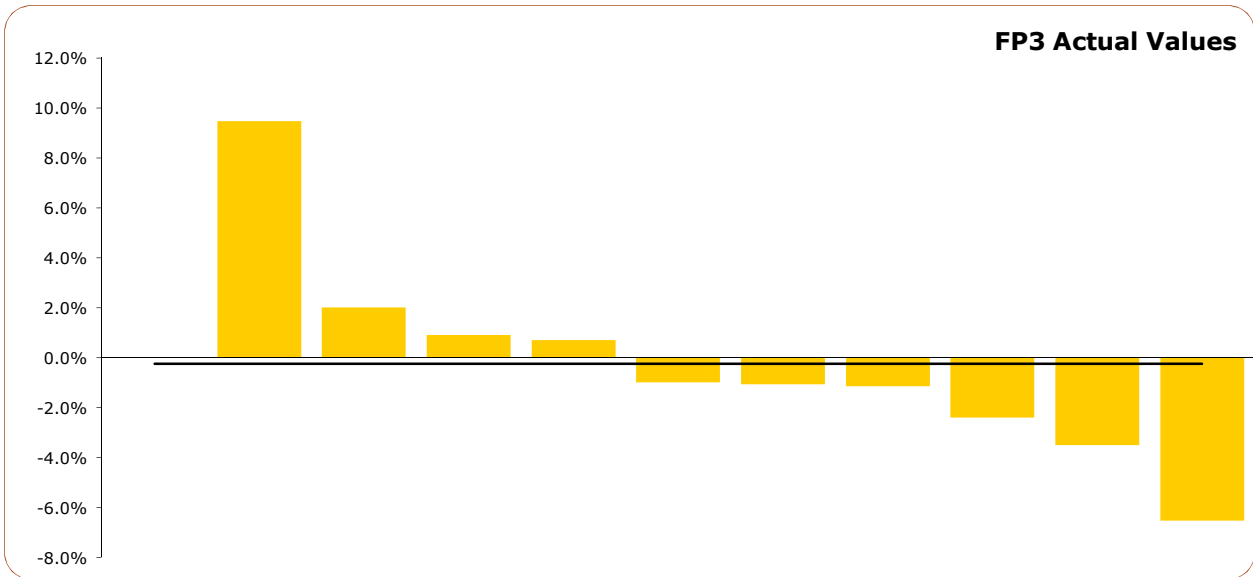
This indicator measures the typical number of days it takes the finance department to produce management information and so identifies the extent to which budget managers, and overseeing boards and committees, can take timely financial decisions based on up to date financial information. In most circumstances organisations should aim to reduce the number of working days to produce financial reports. Organisations should interpret their achievement against this indicator in conjunction with the response to the commissioner statement 'The financial information provided for financial planning and management is accurate, timely and easy to access' (contained in primary indicator 5) and secondary indicator 2(b) (which asks whether the year-end accounts were qualified by external



## FP3 % variation between forecast outturn at month 6 and the actual outturn at month 12

### Rationale and expected impact on behaviour

This indicator assesses the accuracy of forecasting. Organisations should aim to reduce the level of variation between their month 6 forecast and the year-end outturn by improving forecasting and budgetary control.

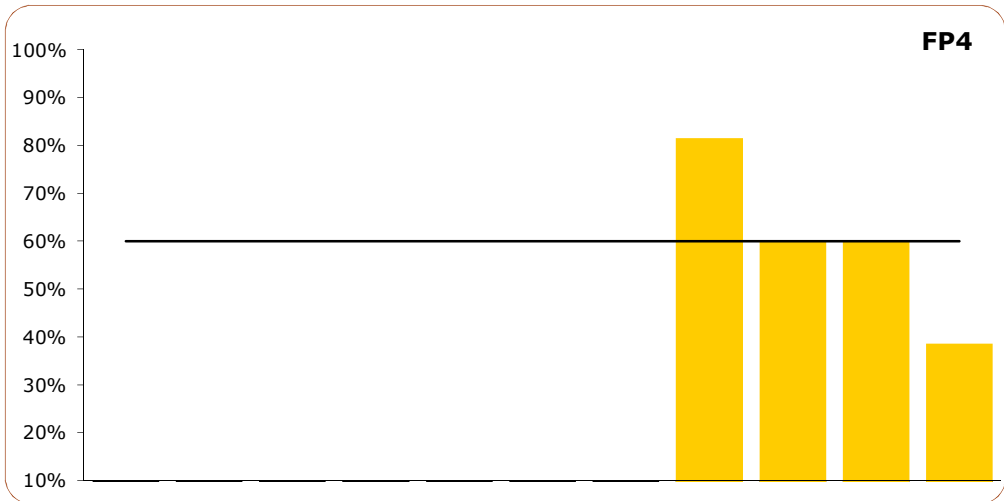
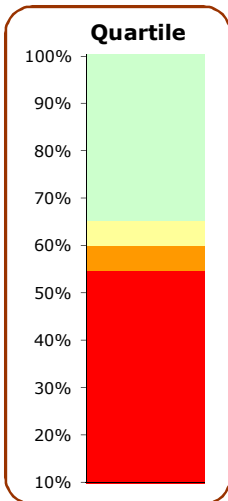


City of London	Average	LQ	Median	UQ
na	2.9%	1.0%	1.6%	3.2%

**FP4 % public sector organisation spend for which there are fully costed outputs which are measured by key performance metrics and for which a named individual is accountable**

**Rationale and expected impact on behaviour**

High performing organisations are likely to ensure that the totality of their spend is allocated against outputs, supported by key metrics which measure performance with clear lines of accountability. Over time, organisations should aim to increase the percentage of their spend that meets the criteria of this indicator.



City of London	Average	LQ	Median	UQ
na	60.0%	54.6%	60.0%	65.4%

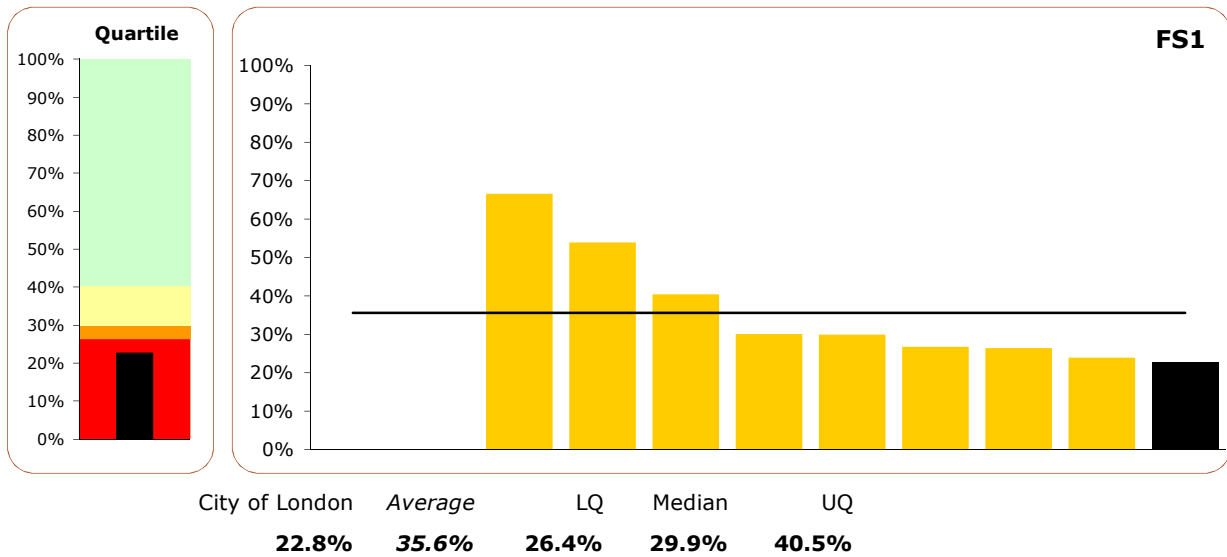
## Secondary Indicators

### FS1 Professionally qualified finance staff as % total finance staff (FTEs) undertaking reporting, controls and decision support processes (i.e. excludes those staff involved in transactional processes)

#### Rationale and expected impact on behaviour

This indicator assesses the capacity and competency of the finance department by examining the proportion of staff with a professional accountancy qualification.

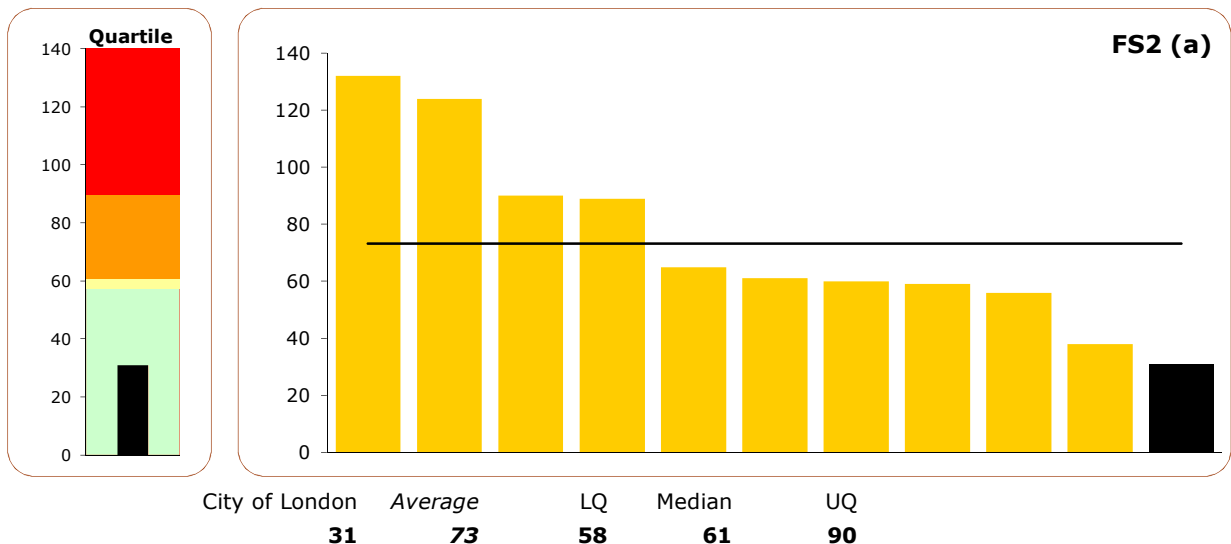
In most cases organisations would aim for a period-on-period increase in this percentage. Organisations should interpret their achievement against this indicator alongside primary indicator 5 (the commissioner and user satisfaction index) and secondary indicator 2 (the length of time necessary to produce year-end accounts and whether those accounts required qualification).



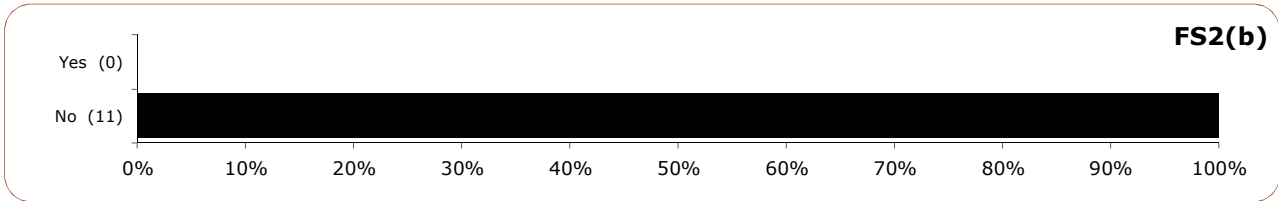
### FS2 (a) Days from date of year-end to submission of annual accounts for audit

#### Rationale and expected impact on behaviour

This indicator examines the effectiveness of the finance function by assessing their ability to produce a timely and accurate set of annual accounts. Date of year-end to submission of annual accounts for audit varies both across organisations and sectors. It will be appropriate to compare with similar type organisations. In most circumstances organisations should aim to both reduce the number of days taken to prepare their year-end accounts and ensure that they do not require external qualification.



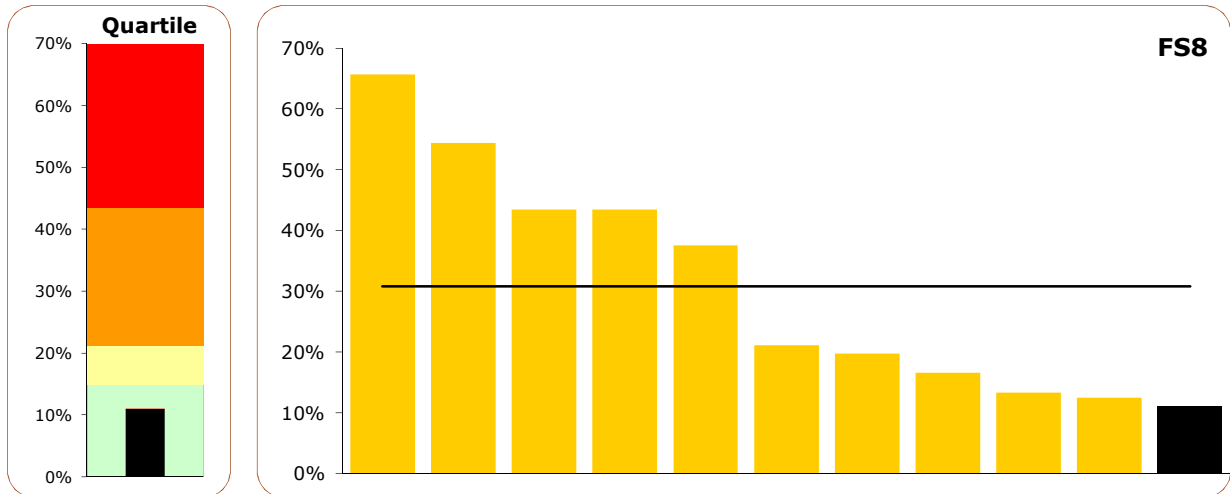
## FS2(b) Was the last set of accounts qualified by external audit?



## FS8 % outstanding debt that is more than 90 days old from date of invoice

### Rationale and expected impact on behaviour

This indicator examines the ability of the finance department to recover outstanding debts from customers. We have adopted the commonly used 90-day credit period as the basis for the indicator. Organisations should aim to achieve a period-on-period reduction in the proportion achieved for this indicator. This indicator should be used in tandem with Secondary Indicator 4.



City of London	Average	LQ	Median	UQ
11.0%	30.8%	14.9%	21.1%	43.5%

## Section 3 - SATISFACTION

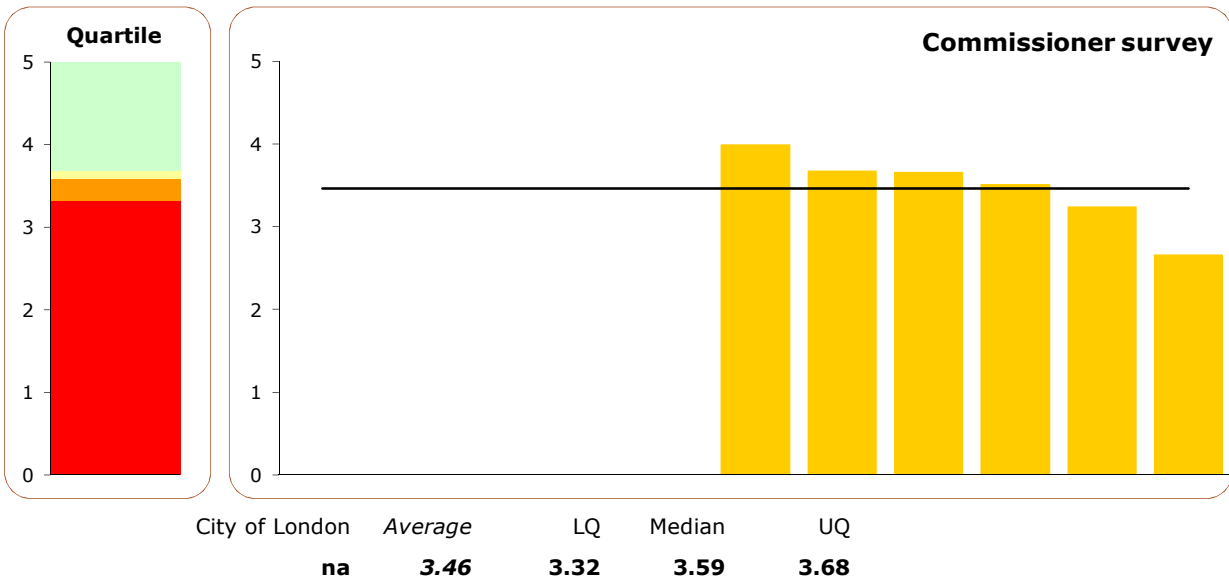
### Rationale and expected impact on behaviour

This indicator examines the effectiveness of the finance function by assessing the perceptions of its commissioners and users. The indicators have been identified because they are considered to indicate whether the function communicates effectively with its commissioners and users, and is responsive to the requirements of the organisation.

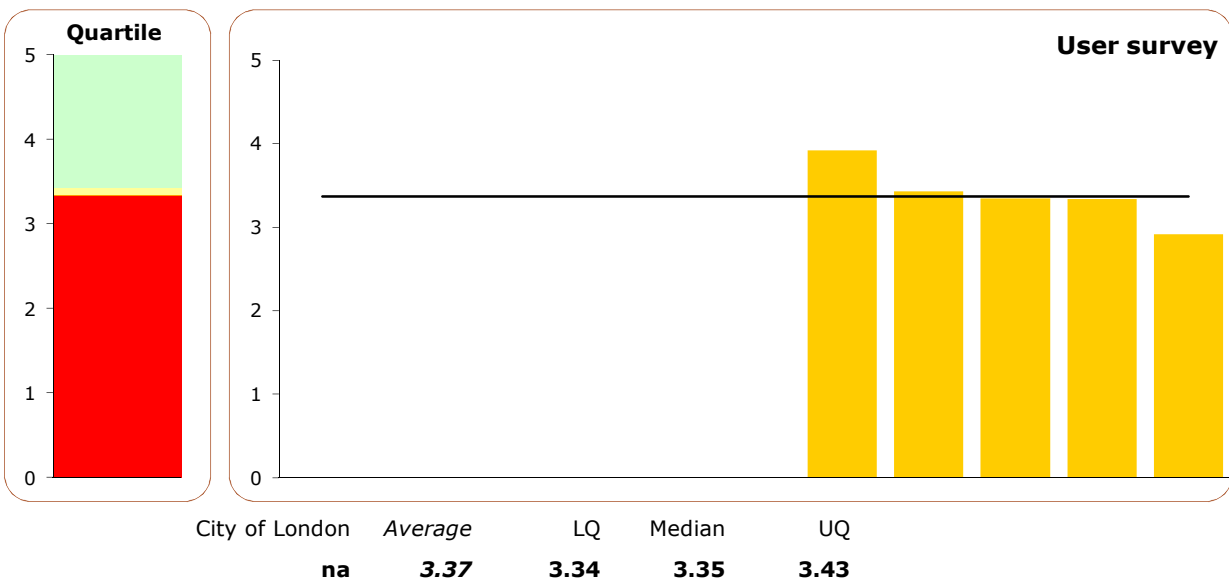
Over time, organisations should seek to increase the proportion of commissioners and users agreeing with the statements.

*Please note if you are using the online surveys we will complete this section for the final reports.*

### FP5(a) Commissioner satisfaction average score



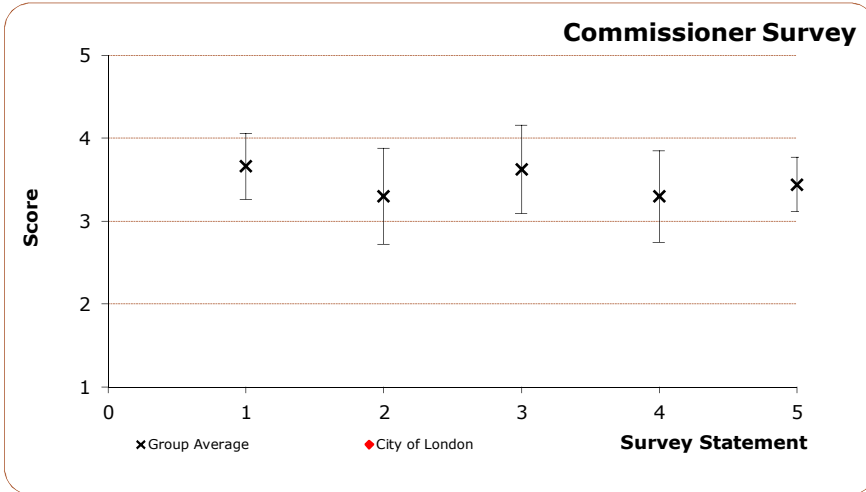
### FP5(b) User satisfaction average score



## Analysis of individual statement scores

These charts show the average performance scores for all participants as black x's. The black error bars show one standard deviation either side of the mean. Approximately 65 - 70% of the organisations will fall within this range. The red diamond is the average score for your organisation.

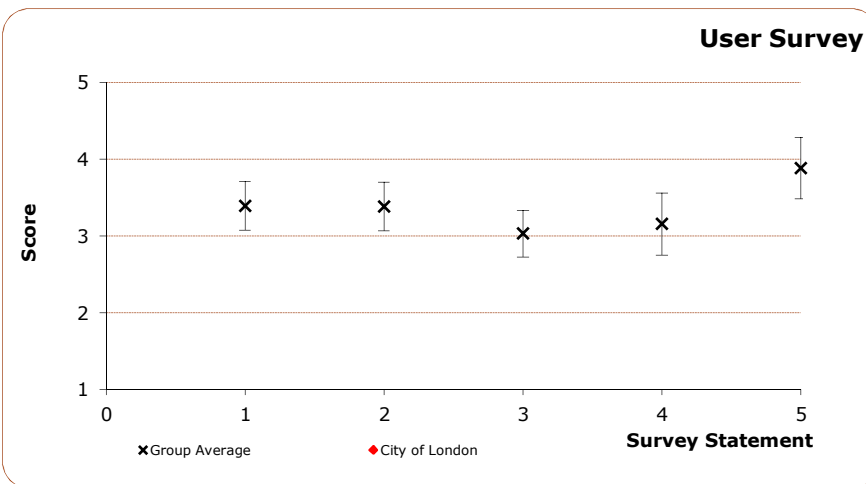
### Commissioner Survey



### Survey Statements

- The Finance function supports the financial implications of the organisation's strategy, policy and delivery discussions by providing effective support and challenge.
- The financial information provided for financial planning and management is accurate, timely and easy to access.
- The organisation's financial systems are secure and efficient.
- The Finance function proactively anticipates my needs.
- The Finance function provides value for money.

### User Survey



### Survey Statements

- Finance regularly provides the information needed to understand the level of delivery in my area of responsibility and the related cost.
- Finance policies and procedures are clear and understandable.
- The organisation has clear and easy to use financial systems.
- Appropriate financial management training for non-finance staff is provided.
- I know who to contact if I have a query regarding finance.



# Section 4 - MANAGEMENT PRACTICE INDICATORS

## FP6 CIPFA Financial Management Model

This indicator was intended primarily for Central Government Bodies

		Management Dimension			
		Leadership	People	Process	Stakeholders
Financial Management Style	Securing Stewardship				
	Supporting Performance				
	Enabling Transformation				

These charts show the average performance scores for all participants as black x's. The black error bars show one standard deviation either side of the mean. Approximately 65 - 70% of the organisations will fall within this range. The red diamond is the average score for your organisation.

*(Care should be taken when interpreting these results as they are based on a very small sample size)*

## FP7 Modern Management Practices

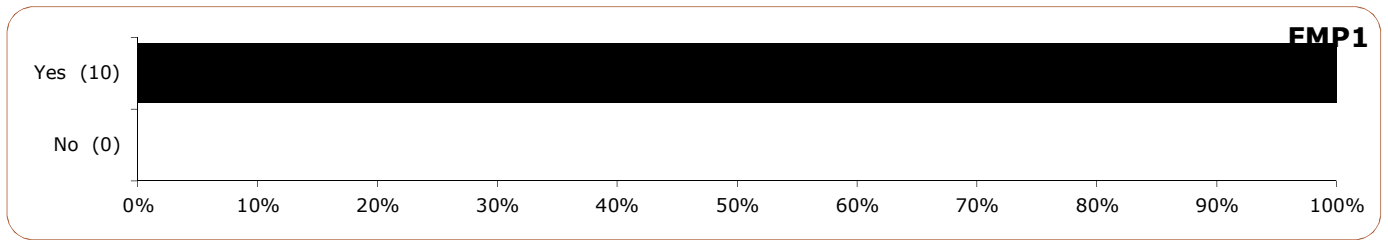


City of London **8**    *Average* **8**    LQ **7**    Median **7**    UQ **8**

	City of London	Yes	No	% Yes	% No
<b>FMP1</b>	<b>Yes</b>	<b>10</b>	<b>0</b>	<b>100.0%</b>	<b>0.0%</b>
<b>FMP2</b>	<b>Yes</b>	<b>7</b>	<b>3</b>	<b>70.0%</b>	<b>30.0%</b>
<b>FMP3</b>	<b>Yes</b>	<b>10</b>	<b>0</b>	<b>100.0%</b>	<b>0.0%</b>
<b>FMP4</b>	<b>Yes</b>	<b>10</b>	<b>0</b>	<b>100.0%</b>	<b>0.0%</b>
<b>FMP5</b>	<b>Yes</b>	<b>9</b>	<b>1</b>	<b>90.0%</b>	<b>10.0%</b>
<b>FMP6</b>	<b>Yes</b>	<b>5</b>	<b>5</b>	<b>50.0%</b>	<b>50.0%</b>
<b>FMP7</b>	<b>Yes</b>	<b>8</b>	<b>2</b>	<b>80.0%</b>	<b>20.0%</b>
<b>FMP8</b>	<b>Yes</b>	<b>2</b>	<b>8</b>	<b>20.0%</b>	<b>80.0%</b>
<b>FMP9</b>	<b>No</b>	<b>7</b>	<b>3</b>	<b>70.0%</b>	<b>30.0%</b>
<b>FMP10</b>	<b>No</b>	<b>7</b>	<b>3</b>	<b>70.0%</b>	<b>30.0%</b>

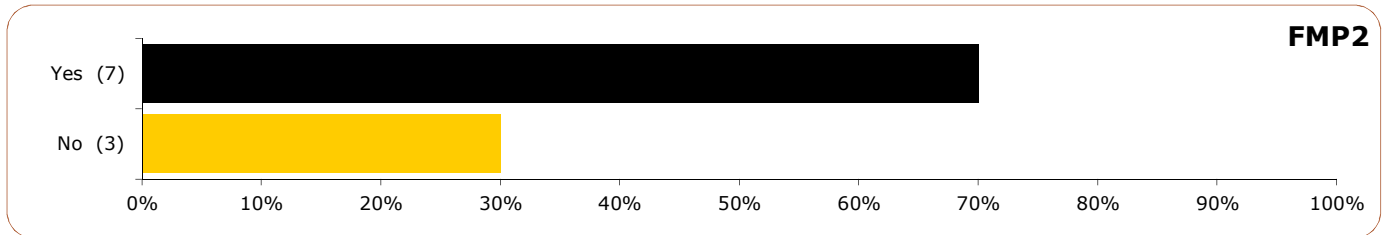
### FMP1

The responsibilities of budget holders are clearly understood and embedded in performance



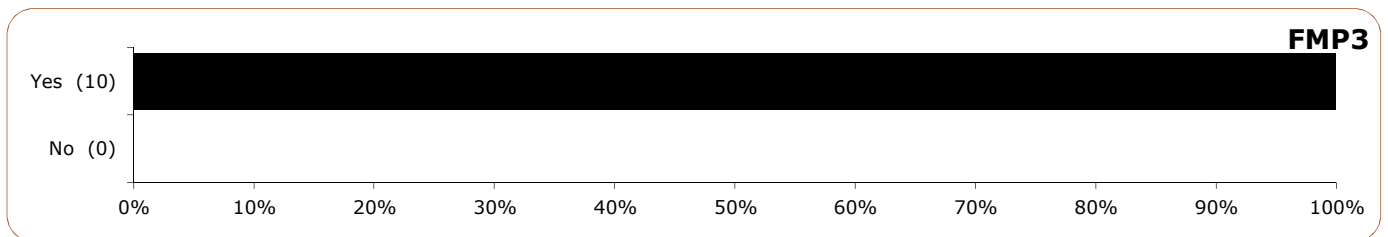
### FMP2

Service levels and expectations have been set with key internal customers using a documented approach such as an SLA or Customer Charter, with regular service review meetings held.



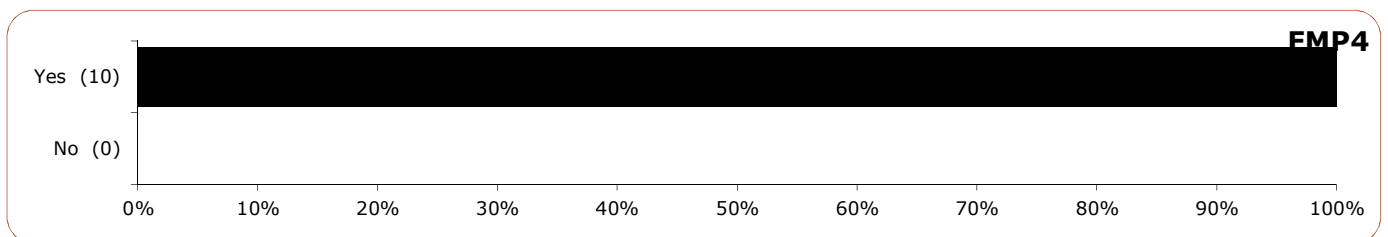
### FMP3

A rolling programme of reviewing and benchmarking the organisation's costs is in place across major service areas.



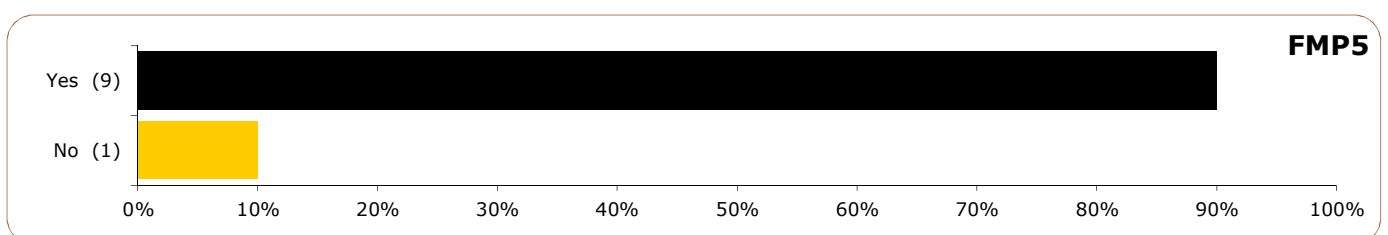
### FMP4

Standardised organisation-wide integrated software is in place with centralised data processing. This should cover as a minimum purchase to payment of supplier and invoice to cash receipt from a customer.



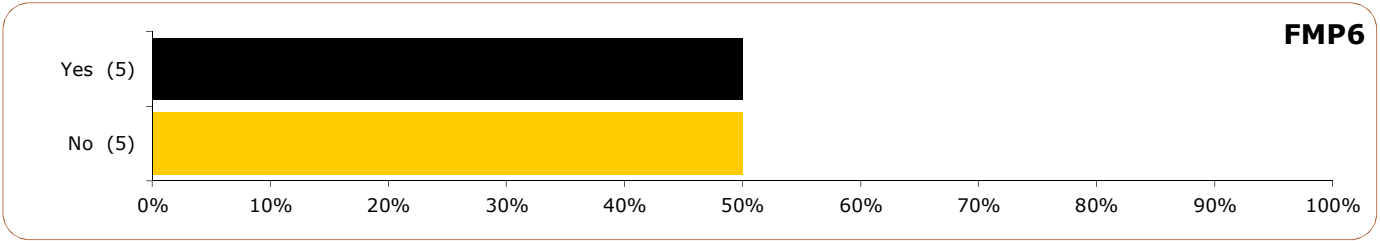
### FMP5

The organisation can demonstrate that it has used at least two of the following to stream-line financial processes in the last 3 years; a) bar coding, b) invoice scanning/imaging, c) workflow, d) web technologies to build extranets with external stakeholders, e) intranet to build self service capabilities for staff to check status, run reports, f) on-line travel and expense system used by claimants that is fully integrated with the accounting system.



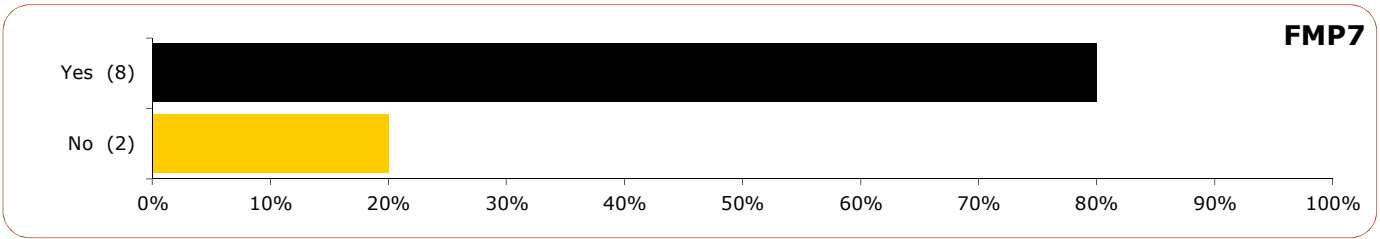
**FMP6**

Fully automated accruals system based on purchase order and good/services received information held within a fully integrated accounting system.



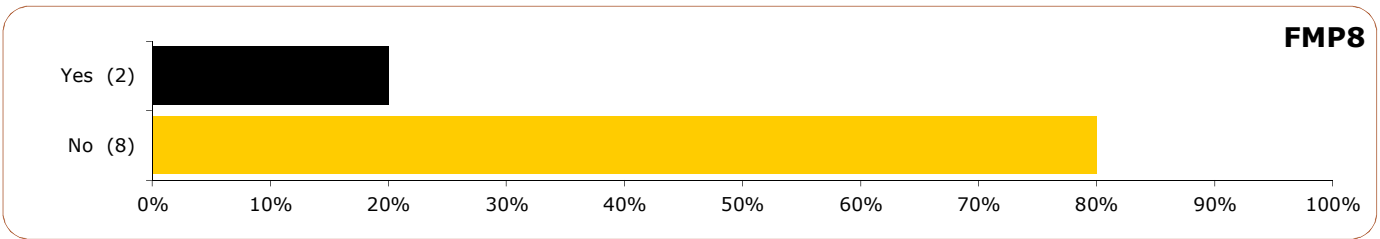
**FMP7**

Budget holders have on-line, real-time insight into the status of their budget and can run standard financial and manpower reports through their desk top PC.



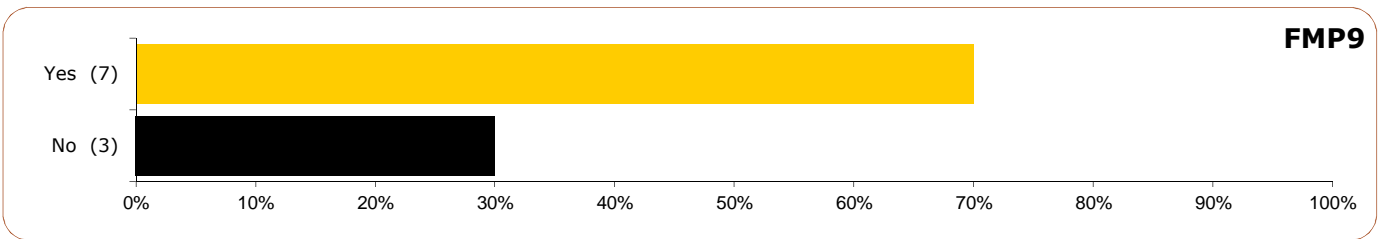
**FMP8**

A needs based budget based on activity levels rather than historical baselines, is prepared at least every 3 years.



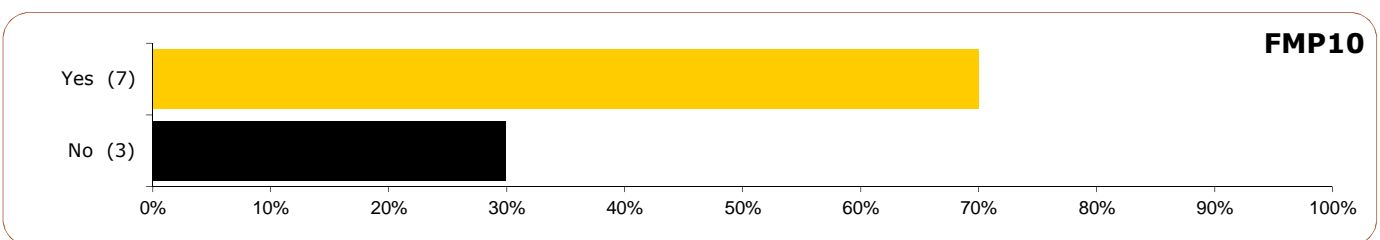
**FMP9**

Customer satisfaction surveys are conducted at least annually with results openly published and acted upon.



**FMP10**

A comprehensive professional development programme is in place for Finance staff which ensures that they receive at least 5 days of continuing professional development per annum.



## Section 5 - TABULAR DATA

	City of London	Average	Lower Quartile	Median	Upper Quartile	
<b>Primary Indicators 2013/14</b>						
<b>FP1</b>	Cost of the Finance function as a percentage of organisational running costs (expenditure)	<b>1.6%</b>	<b>1.0%</b>	<b>0.7%</b>	<b>1.0%</b>	<b>1.1%</b>
<b>FP1(a)</b>	Cost of transaction processing as a proportion of the finance function	<b>28%</b>	<b>28%</b>	<b>20%</b>	<b>26%</b>	<b>32%</b>
<b>FP1(b)</b>	Cost of business decision support as a proportion of the cost of the finance function	<b>43%</b>	<b>37%</b>	<b>33%</b>	<b>38%</b>	<b>42%</b>
<b>FP1(c)</b>	Cost of reporting and control as a proportion of the cost of the finance function	<b>28%</b>	<b>37%</b>	<b>34%</b>	<b>37%</b>	<b>40%</b>
<b>FP2</b>	Cycle time in working days from period-end closure to the distribution of routine financial reports to all budget managers and overseeing boards and committees	<b>3</b>	<b>13</b>	<b>6</b>	<b>10</b>	<b>19</b>
<b>FP3</b>	% of variation between the forecast outturn and the actual outturn at month 12 (absolute values)	<b>na</b>	<b>2.9%</b>	<b>1.0%</b>	<b>1.6%</b>	<b>3.2%</b>
<b>FP4</b>	Percentage of public sector organisation spend for which there are fully costed outputs which are measured by key performance metrics and for which a named individual is accountable	<b>na</b>	<b>60.0%</b>	<b>54.6%</b>	<b>60.0%</b>	<b>65.4%</b>
<b>Secondary Indicators</b>						
<b>FS1</b>	Professionally qualified finance staff as a percentage of total finance staff (FTEs) undertaking reporting, controls and decision support processes (i.e. excludes those staff involved in transactional processes)	<b>22.8%</b>	<b>35.6%</b>	<b>26.4%</b>	<b>29.9%</b>	<b>40.5%</b>
<b>FS2(a)</b>	Cycle time in days from date of year-end to submission of audited accounts	<b>31</b>	<b>73</b>	<b>58</b>	<b>61</b>	<b>90</b>
<b>FS2(b)</b>	Were the last set of accounts qualified by external audit?	<b>No</b>	<b>0</b>	<b>11</b>	<b>0%</b>	<b>100%</b>
<b>FS3</b>	Cost of Customer Invoicing function per customer invoice processed	<b>£20.12</b>	<b>£16.03</b>	<b>£10.19</b>	<b>£16.35</b>	<b>£21.06</b>
<b>FS4</b>	Debtors days	<b>31.5</b>	<b>75.6</b>	<b>44.9</b>	<b>72.7</b>	<b>95.0</b>
<b>FS5</b>	Credit notes as % of total customer invoices raised	<b>6.7%</b>	<b>7.5%</b>	<b>3.7%</b>	<b>5.0%</b>	<b>7.4%</b>
<b>FS6</b>	Cost of Accounts Payable per accounts payable invoice processed	<b>£10.48</b>	<b>£4.28</b>	<b>£2.53</b>	<b>£3.38</b>	<b>£5.48</b>
<b>FS7</b>	Proportion of all payments made by electronic means	<b>95.6%</b>	<b>86.3%</b>	<b>82.1%</b>	<b>85.6%</b>	<b>93.7%</b>
<b>FS8</b>	Proportion of outstanding debt that is more than 90 days old from date of invoice	<b>11.0%</b>	<b>30.8%</b>	<b>14.9%</b>	<b>21.1%</b>	<b>43.5%</b>
<b>FS9(a)</b>	% invoices for commercial goods & services paid by the organisation within 10 days of receipt	<b>60.6%</b>	<b>68.6%</b>	<b>60.7%</b>	<b>68.9%</b>	<b>69.7%</b>
<b>FS9(b)</b>	% invoices for commercial goods & services paid by the organisation within 30 days of receipt or within the agreed payment terms	<b>88.6%</b>	<b>90.0%</b>	<b>86.7%</b>	<b>90.7%</b>	<b>94.9%</b>
<b>FS10</b>	Cost of Payroll Admin per employee paid	<b>£51.08</b>	<b>£72.14</b>	<b>£33.46</b>	<b>£65.33</b>	<b>£88.49</b>

This page is intentionally left blank

**Public Sector Corporate Services VfM Indicators**  
**Human Resources**  
**2013/14**

**City of London Corporation**

*compared with*

Other London Boroughs

Copyright:  
CIPFA Business Limited  
3 Robert Street, London, WC2N 6RL  
Tel: 020 3117 1840

## Preface

The UK Audit Agencies (Audit Commission, NAO, Audit Wales, Audit Scotland and Northern Ireland Audit Office) combined together to develop a set of indicators to measure the value for money of support services across the public sector. KPMG, with CIPFA as a partner, was appointed to undertake the research and development work and the Audit Agencies published their report in May 2007.

The functions covered by the VfM indicators (Communications, Finance, HR, ICT, Legal, Estates Management and Procurement) have been identified by the Government as a priority area for securing efficiency improvements and releasing resources for use in delivering front-line services. Although the Audit Agencies were keen for public sector bodies to use the indicators, they decided not to offer a benchmarking service themselves. CIPFA has therefore undertaken to provide this service to the public sector.

I hope that you find the enclosed information useful, and more importantly that you use it in the spirit in which it is intended; this is a tool to help you take a view on the value for money provided by your corporate support services, and provide some pointers as to how they might improve.

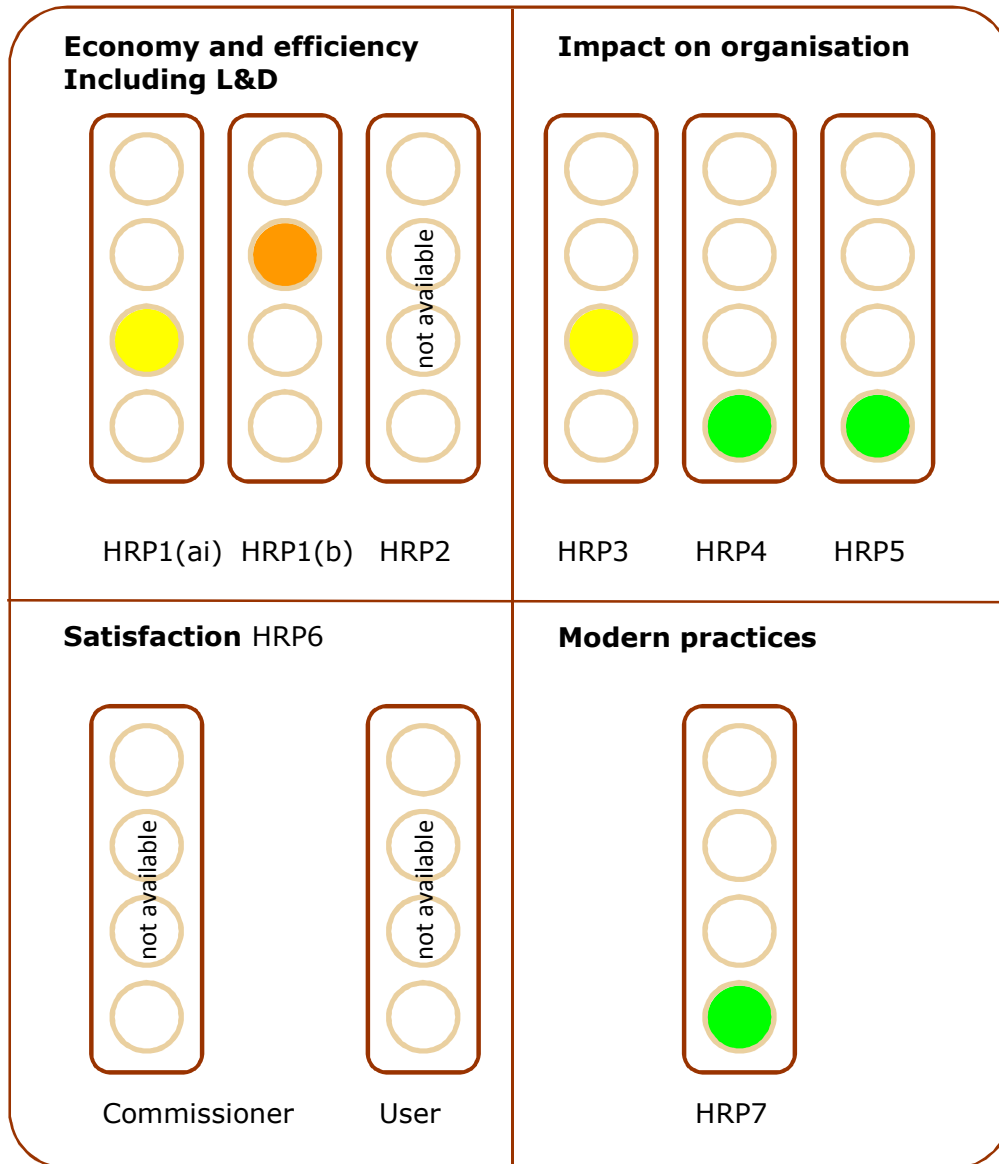
CIPFA would be more than happy to come and discuss with you potential opportunities for you to improve your services, building on the information in this report. Please do not hesitate to give contact us at [vfmindicators@cipa.org](mailto:vfmindicators@cipa.org) if you would like to discuss this or any other matters further.

John Parsons  
Benchmarking Manager.



## RESULTS ON ONE PAGE

The Audit Agencies developed an approach to considering Value for Money for Corporate Services which had four dimensions. The overall results are shown below:



### Notes:

- A green light indicates performance in the best quartile; a yellow light indicates performance between the median and best quartile; an amber light indicates performance between the median and worst quartile and a red light indicates performance in the worst quartile
- For the purposes of this report, high cost and low productivity are considered poor. However, we accept this is a generalisation and that in some circumstances organisations can choose to invest more in functions because they have under invested in the past or because they want to place particular emphasis on a function.
- Full descriptions of the indicators are shown in the remainder of this report.

# Section 1 - ECONOMY AND EFFICIENCY

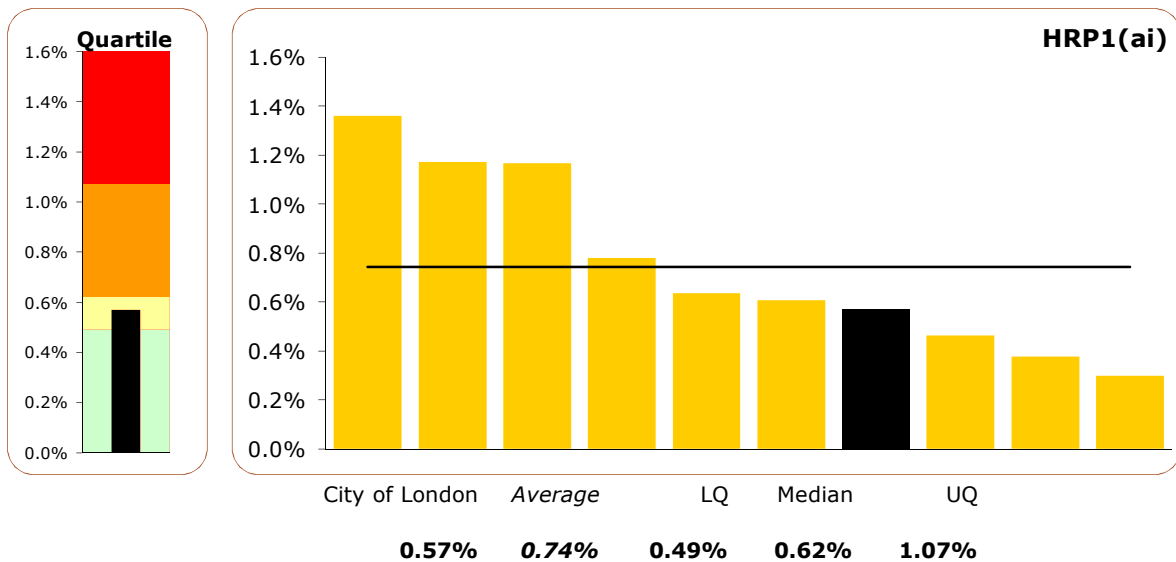
## HRP1 Cost of the HR function

### Rationale and expected impact on behaviour

In most circumstances organisations would aim to reduce their HR costs over time. However organisations that score poorly on measures designed to test the effectiveness of the HR function (for example primary indicators 4, 5, 6 and 7) and also spend less on HR than the benchmark for their peers, will wish to consider whether extra investment would secure better value for money.

Organisations that spend more than their peer organisations may wish to consider whether this is because, for example, they have an above average score against effectiveness criteria or whether there is scope for efficiency savings (for example evidenced by a disproportionately high cost of recruitment per vacancy, secondary indicator 5).

### HRP1(ai) HR Cost as a percentage of organisational running costs (including L&D)



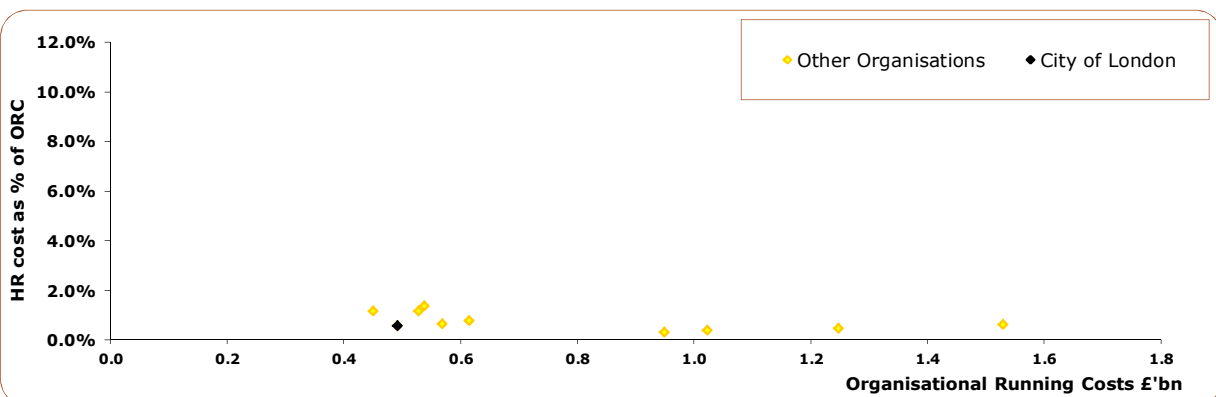
### Cost of Difference

This shows the monetary value represented by the difference in percentage from the median (and lower quartile). Favourable variances are shown as negative figures.

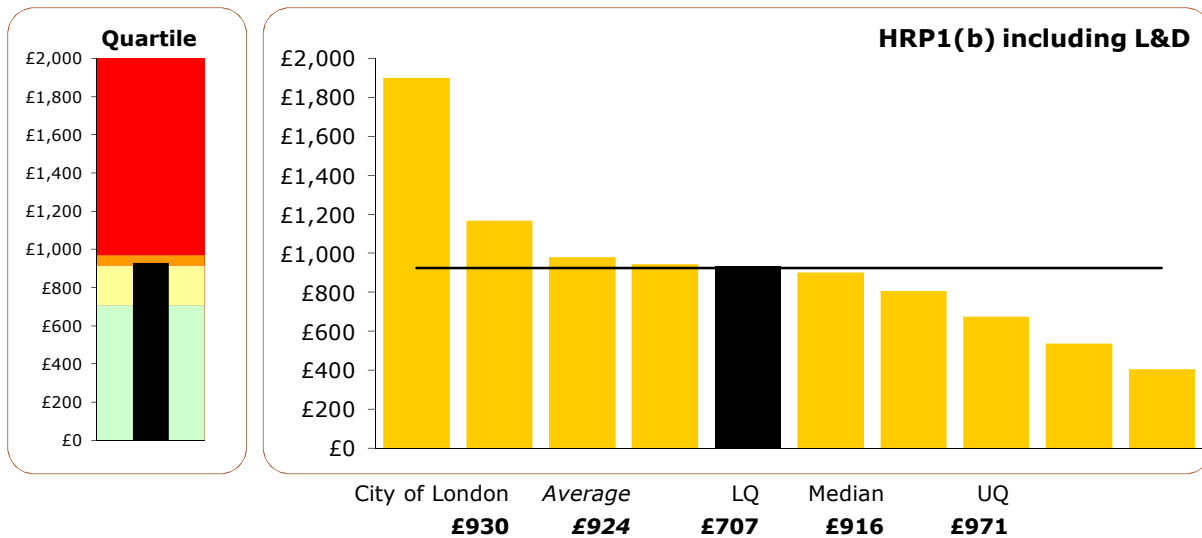
From median (£'000) **-£256**      From lower quartile (£'000) **£391**

### Economies of Scale

This chart investigates the relationship between cost and size of the organisation. There is some indication that very small organisations tend to use a higher proportion of their resources on the HR function.



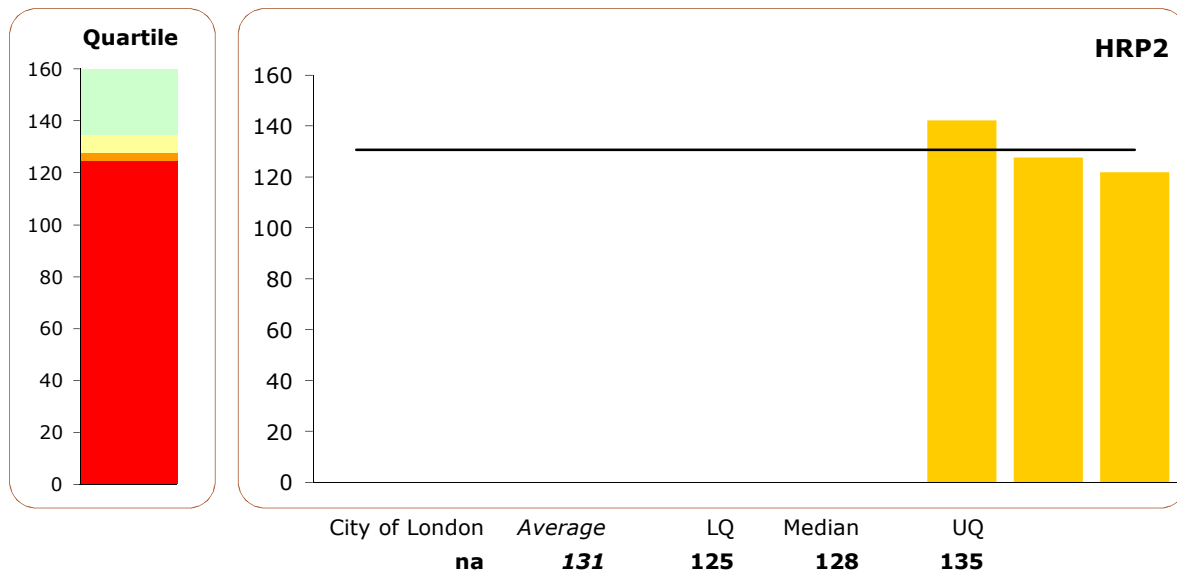
## HRP1(b) HR Cost per FTE (including L&D)



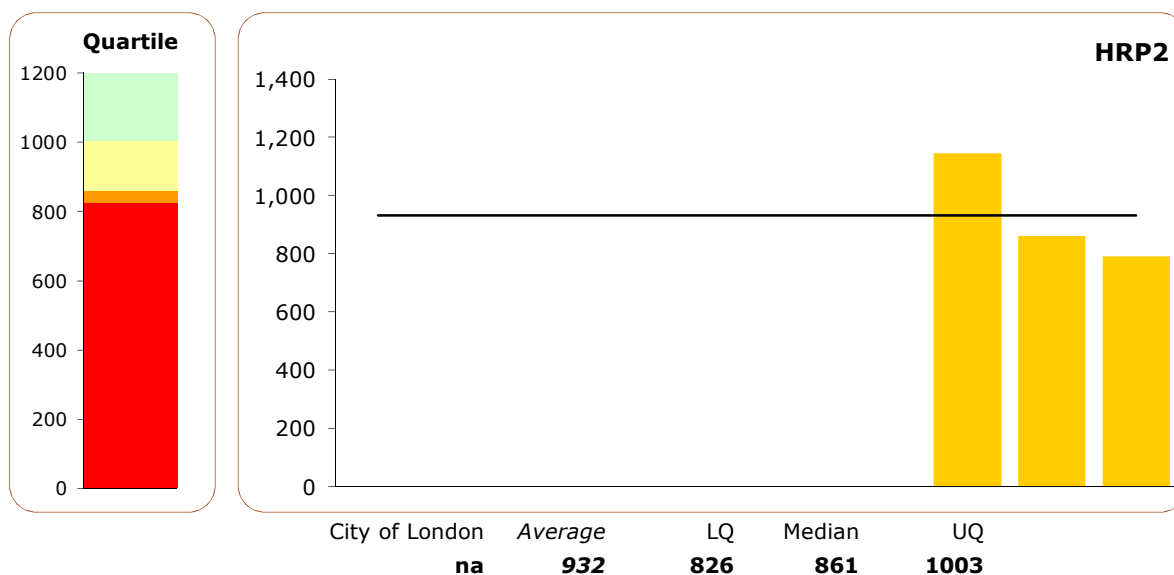
## HRP2 Ratio of employees to HR staff (including L&D)

### Rationale and expected impact on behaviour

This is a high-level indicator of the cost-effectiveness of the HR function which complements primary indicator 1. Organisations should compare their result for this indicator with their peers, investigating the reasons for any significant differences. They should also examine their result for this indicator in conjunction with their results for effectiveness indicators (for example primary indicators 4, 5, 6 and 7).



## HRP2 Ratio of employees to L&D staff



## HR Cost/£'000 Organisation running costs (including L&D) 2013/14

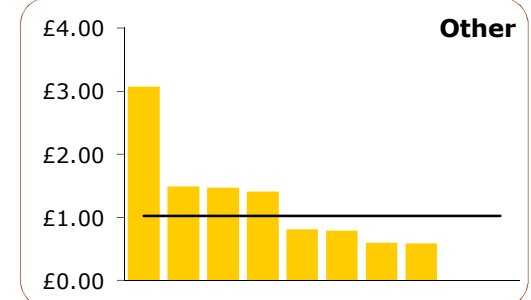
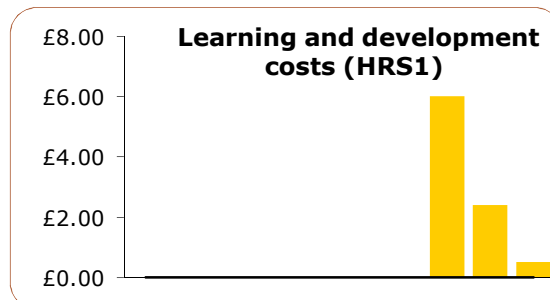
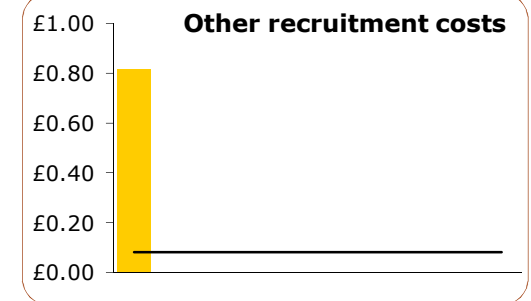
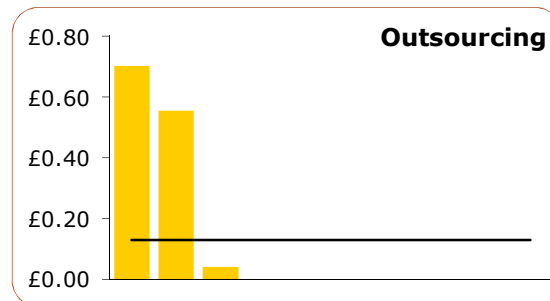
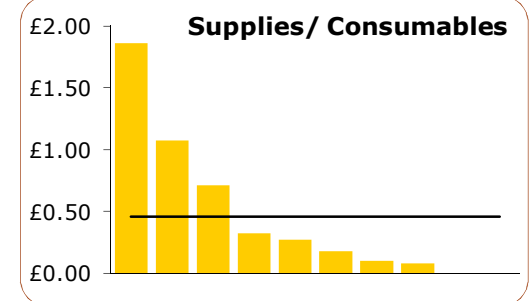
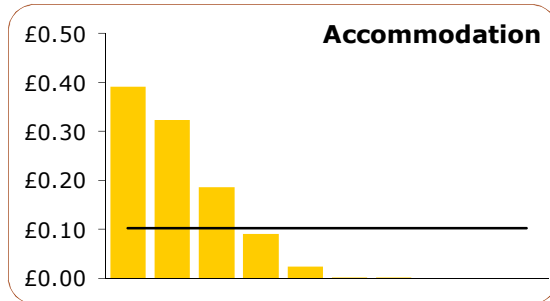
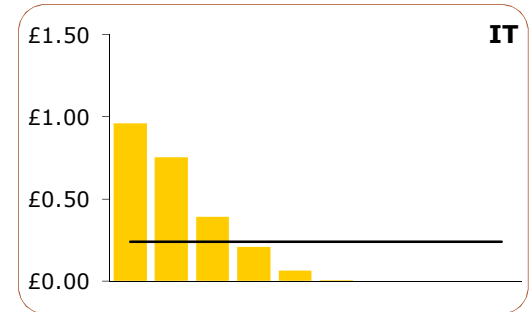
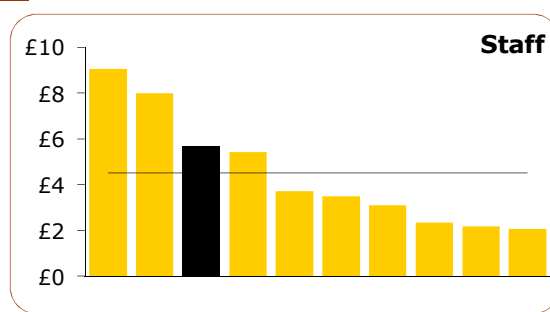
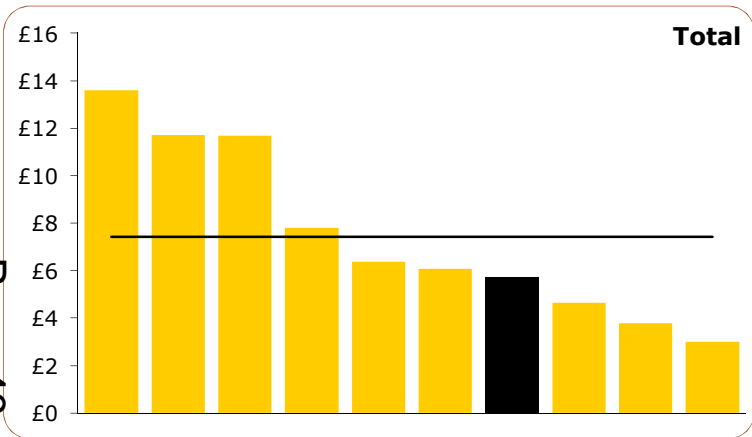
For each benchmark two figures are given, the first being the organisation's cost and the second (in italics) is the group average.

		Costs 2013/14 (£'000)	
	<b>Staff</b>	<b>£5.70</b>	<b>£4.51</b>
	<b>IT</b>	<b>£0.00</b>	<b>£0.24</b>
	<b>Accommodation</b>	<b>£0.00</b>	<b>£0.10</b>
	<b>Supplies/ Consumables</b>	<b>£0.00</b>	<b>£0.46</b>
	<b>Outsourcing</b>	<b>£0.00</b>	<b>£0.13</b>
	<b>Other Recruitment</b>	<b>£0.00</b>	<b>£0.08</b>
	<b>Learning and Development (HRS1)</b>	<b>na</b>	<b>na</b>
	<b>Other</b>	<b>£0.00</b>	<b>£1.02</b>
<b>Total Cost</b>		<b>£5.70</b>	<b>£7.43</b>
	<b>Staff</b>		<b>2,800</b>
	<b>IT</b>		-
	<b>Accommodation</b>		-
	<b>Supplies/ Consumables</b>		-
	<b>Outsourcing</b>		-
	<b>Recruitment</b>		-
	<b>L&amp;D</b>		-
	<b>Other</b>		-
	<b>Total</b>		<b>2,800</b>
	<b>Org. running costs</b>		<b>491,300</b>
	<b>FTE</b>		<b>52.0</b>

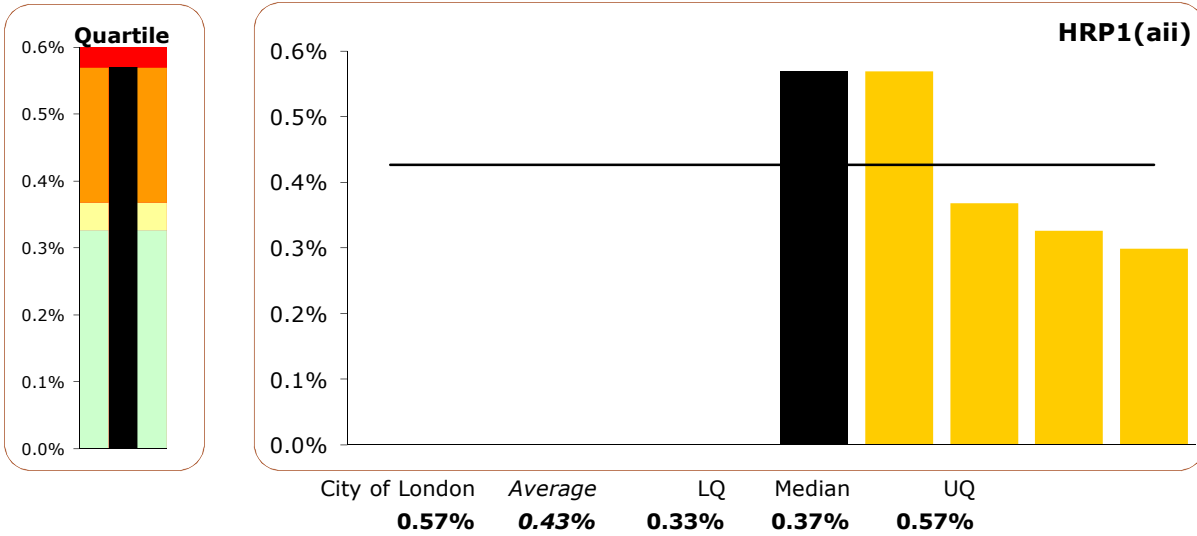
# HR COST PER £'000 ORGANISATIONAL RUNNING COSTS (INCLUDING L&D)

2013/14 Actuals

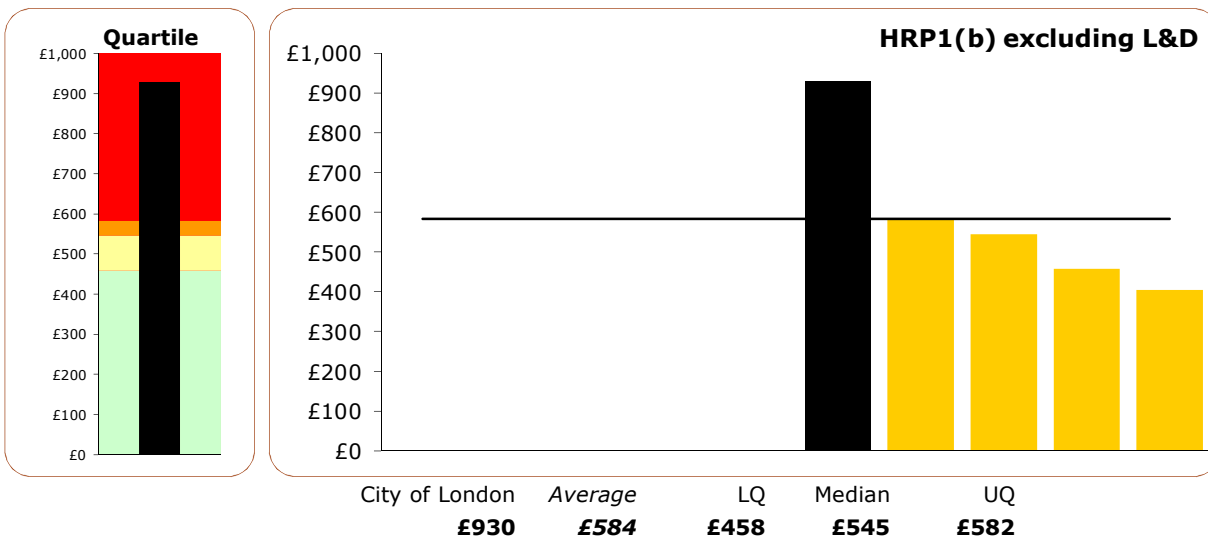
Page 49



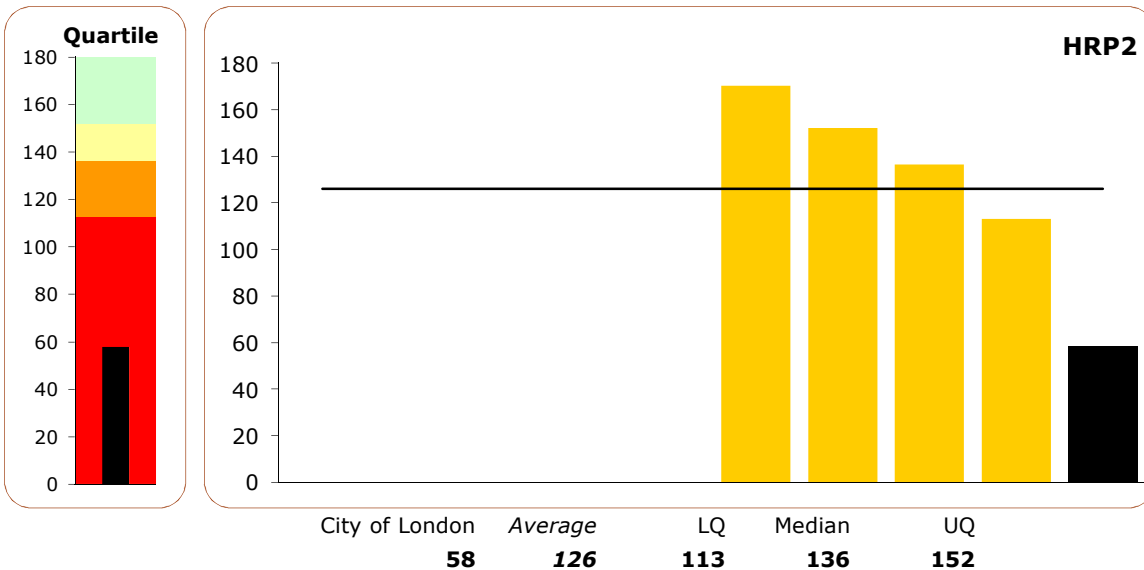
## HRP1(aii) HR Cost as a percentage of organisational running costs (excluding L&D)



## HRP1(b) HR Cost per FTE (excluding L&D)



## HRP2 Ratio of employees to HR staff (excluding L&D)

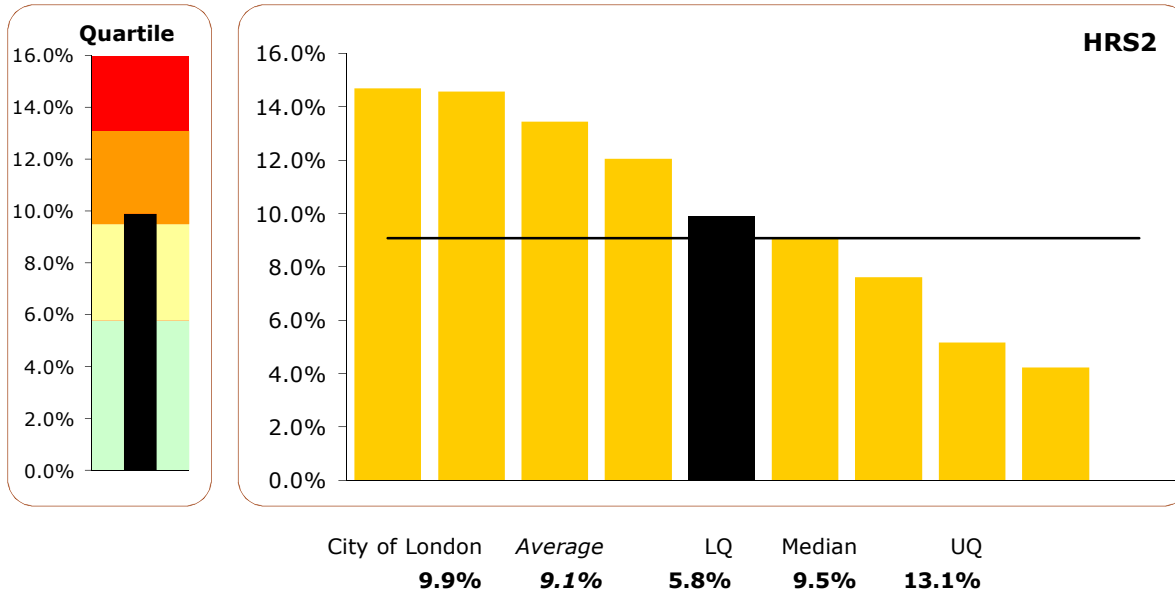


## Secondary Indicators

### HRS2 Cost of agency staff as a percentage of total pay bill

#### Rationale and expected impact on behaviour

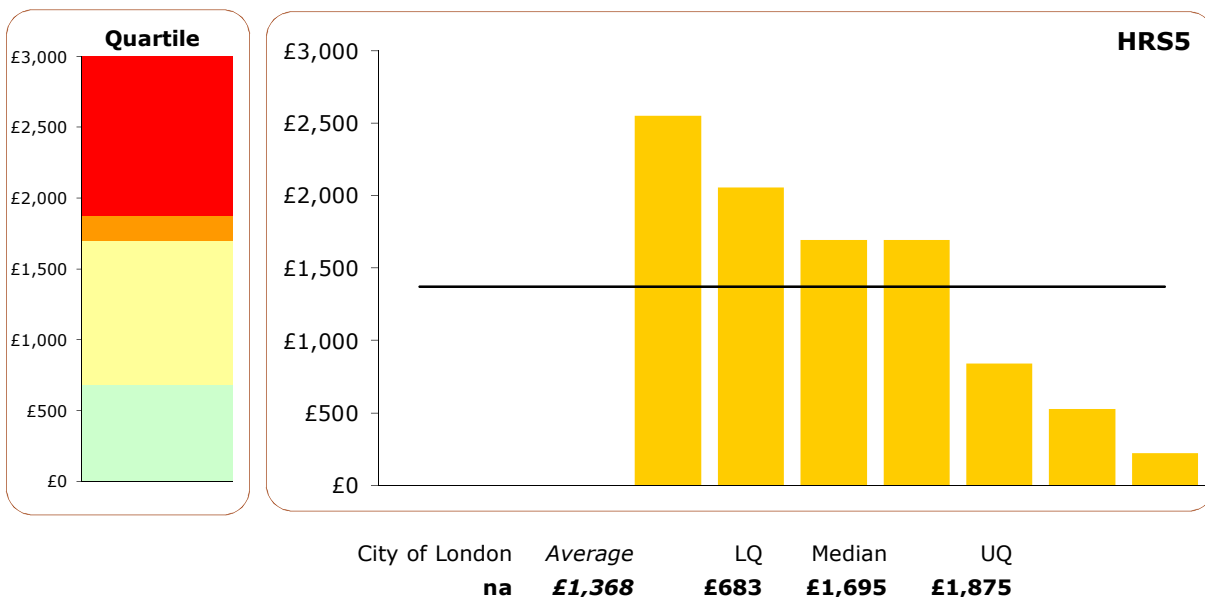
Reliance on agency staff can increase costs significantly and not necessarily represent value for money. Most organisations would therefore aim to reduce the proportion of their pay-bill spent on agency staff although they may (of course) need to use agency staff to good effect to manage variability in workload especially at short notice.



### HRS5 Cost of recruitment per post filled

#### Rationale and expected impact on behaviour

This complements secondary indicator 4. While organisations should usually aim to reduce the unit cost of recruitment, they should examine the result of this indicator in conjunction with primary indicator 4 (leavers as a proportion of total staff) and secondary indicator 7 (the percentage of staff still in post after 12 months). Where organisations spend less on recruitment than their peers but have below average staff retention they may wish to consider whether extra investment in recruitment is likely to offer better value for money.

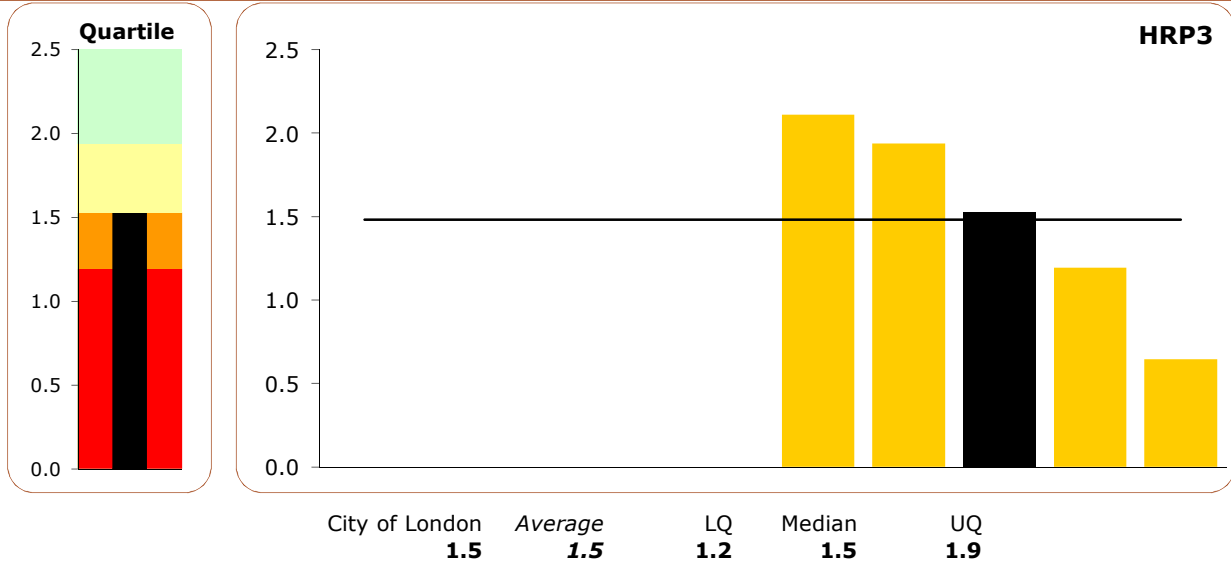


## Section 2 - IMPACT

### HRP3 Average days per full-time equivalent employee per year invested in learning and development

#### Rationale and expected impact on behaviour

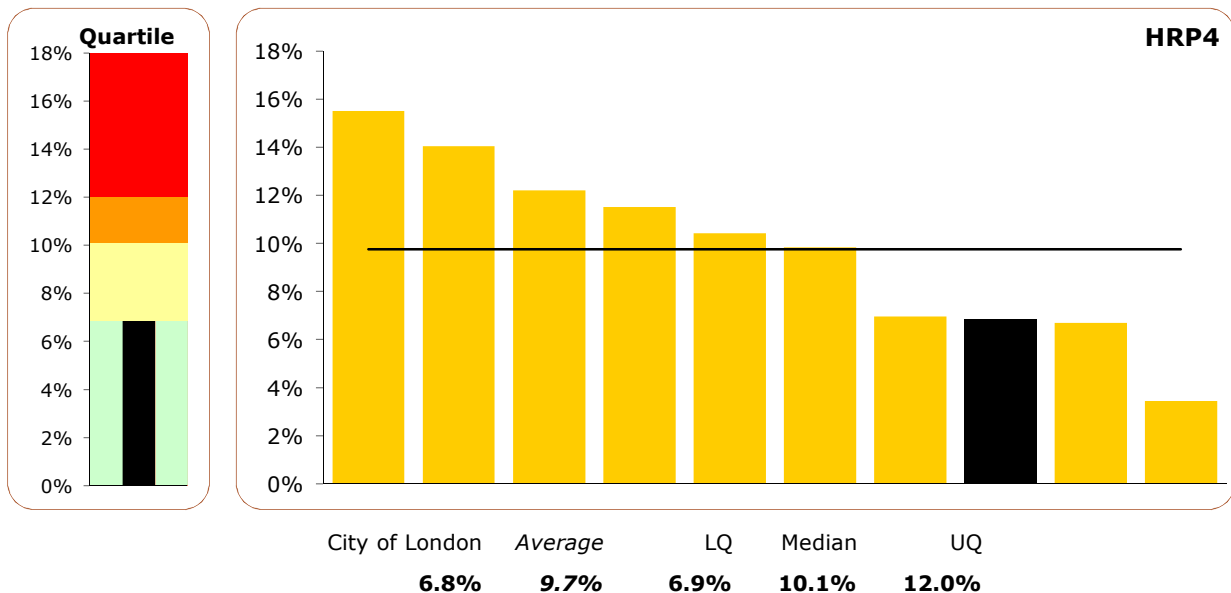
The investment in learning and development indicates the organisation's commitment to enhancing its capacity to deliver and improve. Organisations should compare their result for this indicator with their peers, investigating the reasons for any significant differences, taking into account factors such as any difference in the average degree of experience within the workforce and turnover of staff. This indicator is closely linked to secondary indicator 1 (the cost of learning and development activity).



### HRP4 Leavers in the last year as a percentage of the average total

#### Rationale and expected impact on behaviour

This indicator aims to look at the stability of the workforce. Some turnover in an organisation is accepted as healthy but a high level of turnover can indicate problems in organisational leadership, culture and management and can impact on organisational performance (for example through loss of capacity, loss of valuable skills and knowledge etc). Organisations may wish to compare their turnover rates with their peers, examining whether there are robust reasons for any significant differences. In most circumstances organisations would seek to reduce the percentage of leavers over time.

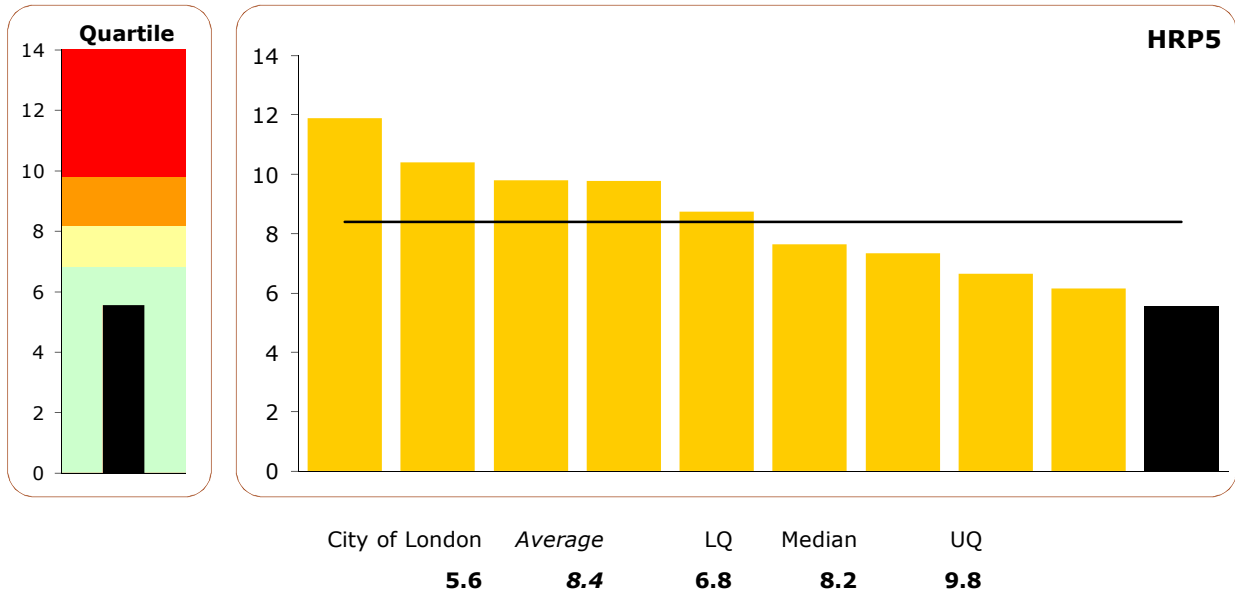




## HRP5 Average working days per employee (full time equivalent) per year lost through sickness absence

### Rationale and expected impact on behaviour

Looks at the effectiveness of the HR function in terms of impact on the overall levels of sickness absence in the organisation through development of processes and procedures, and training for managers. Organisations should aim to reduce the number of days lost through sickness absence over time.

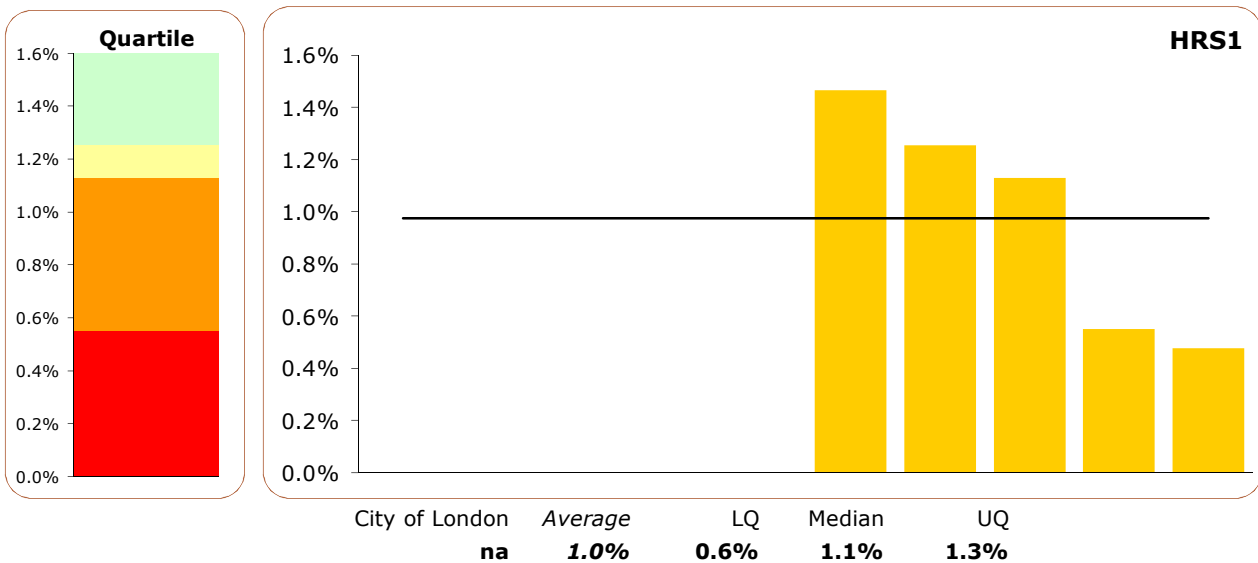


## Secondary Indicators

### HRS1 Cost of learning and development activity as percentage of the total pay-bill

#### Rationale and expected impact on behaviour

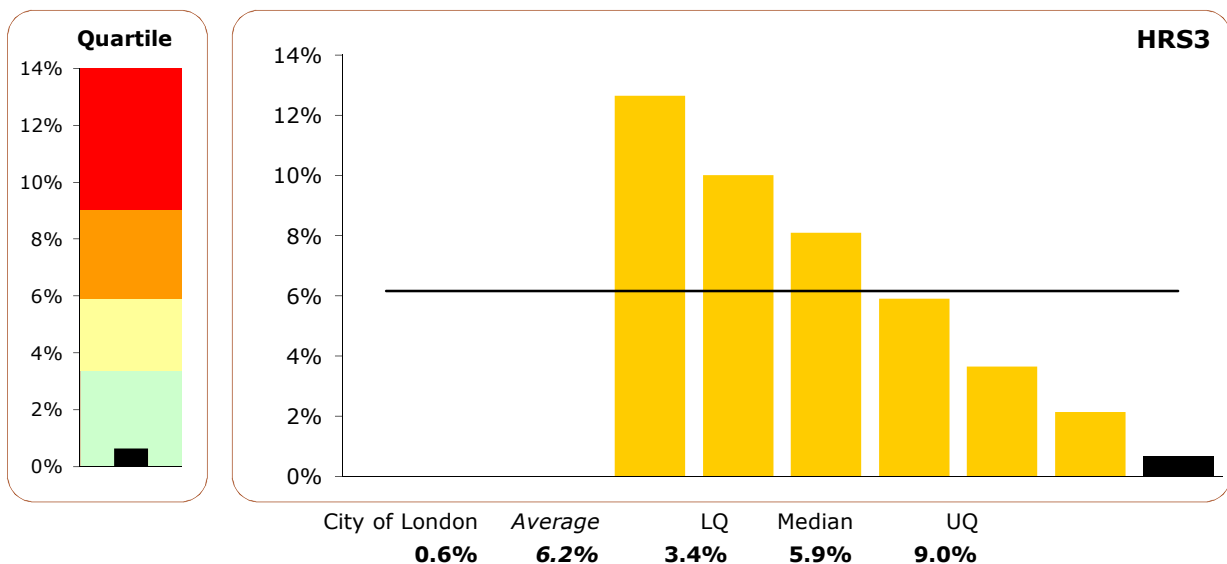
The level of expenditure on learning and development indicates the organisation's commitment to enhancing its capacity to deliver and improve. This complements primary indicator 3 (average days invested in learning and development per employee). In both cases organisations should compare their results with their peers, investigating the reasons for any significant differences, taking into account factors such as any difference in the average degree of experience within the workforce and turnover of staff. In many cases organisations would aim to achieve a period-on-period increase in their investment in learning and development activity.



### HRS3 Percentage of posts currently in the leadership of the organisation which are filled by people who are not permanent in that position

#### Rationale and expected impact on behaviour

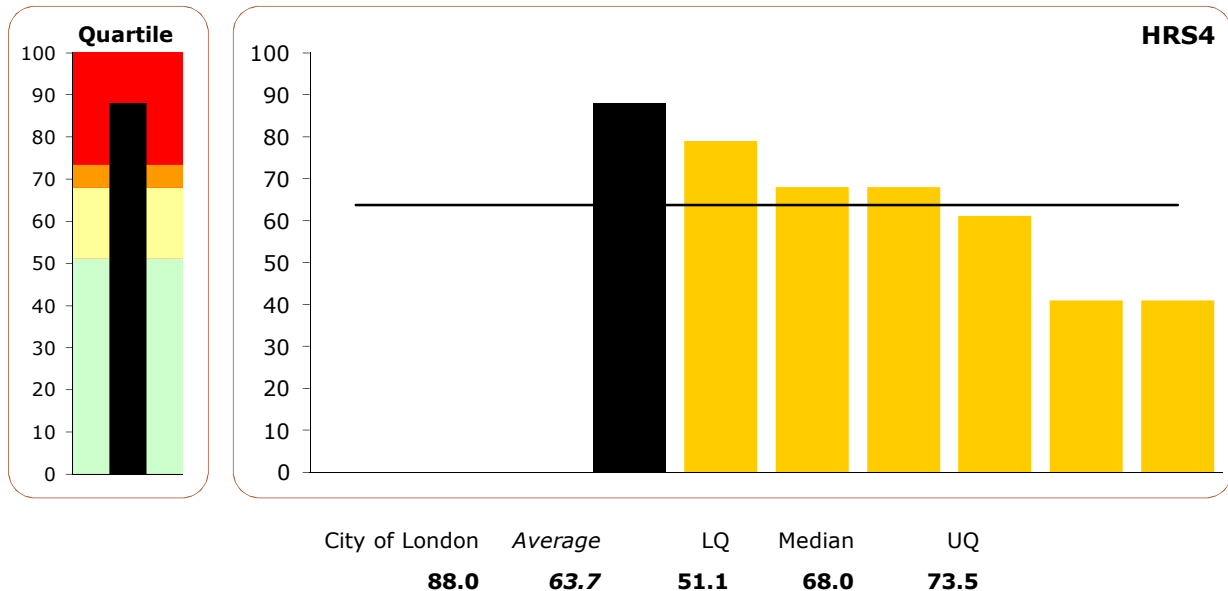
The degree of stability of the leadership of an organisation is a critical feature in terms of organisational performance and culture. Organisations performing at a sub-optimal level tend to have a significant proportion of non-permanent staff in leadership positions. In most cases organisations would therefore aim to reduce the percentage of non-permanent staff in leadership positions.



## HRS4 Average elapsed time (working days) from a vacancy occurring to the acceptance of an offer for the same post

### Rationale and expected impact on behaviour

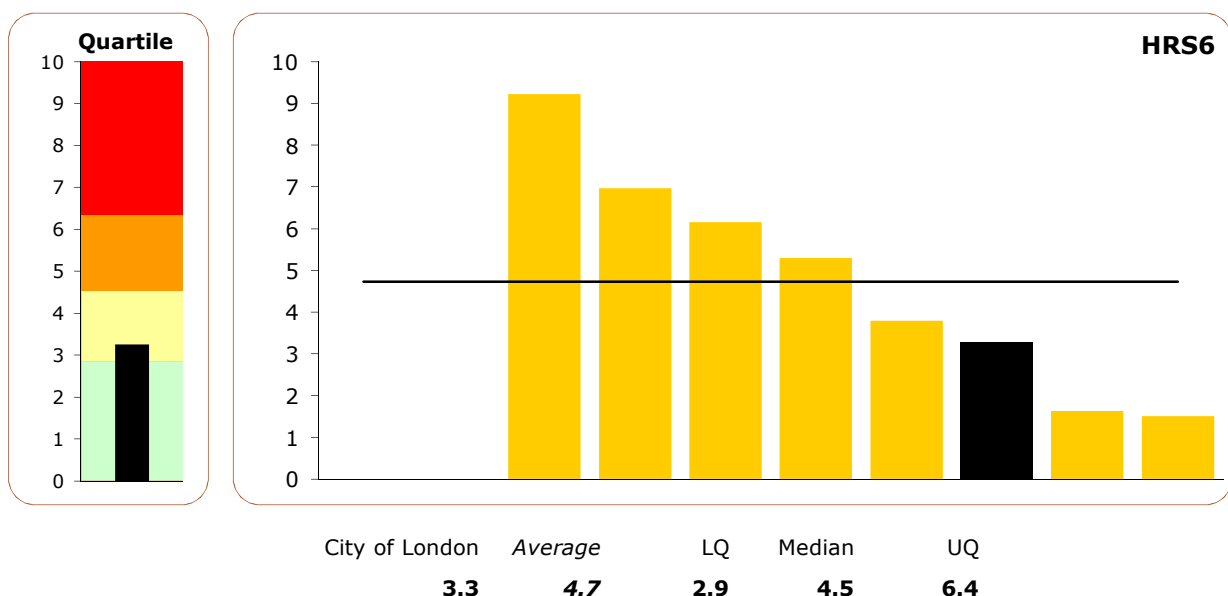
This is an indicator of efficiency for a key HR process – recruitment to fill vacant posts. Organisations should generally aim to reduce the number of working days needed to fill vacant posts. This indicator complements secondary indicator 5.



## HRS6 Reported injuries, diseases and dangerous occurrences per 1,000 FTE per year

### Rationale and expected impact on behaviour

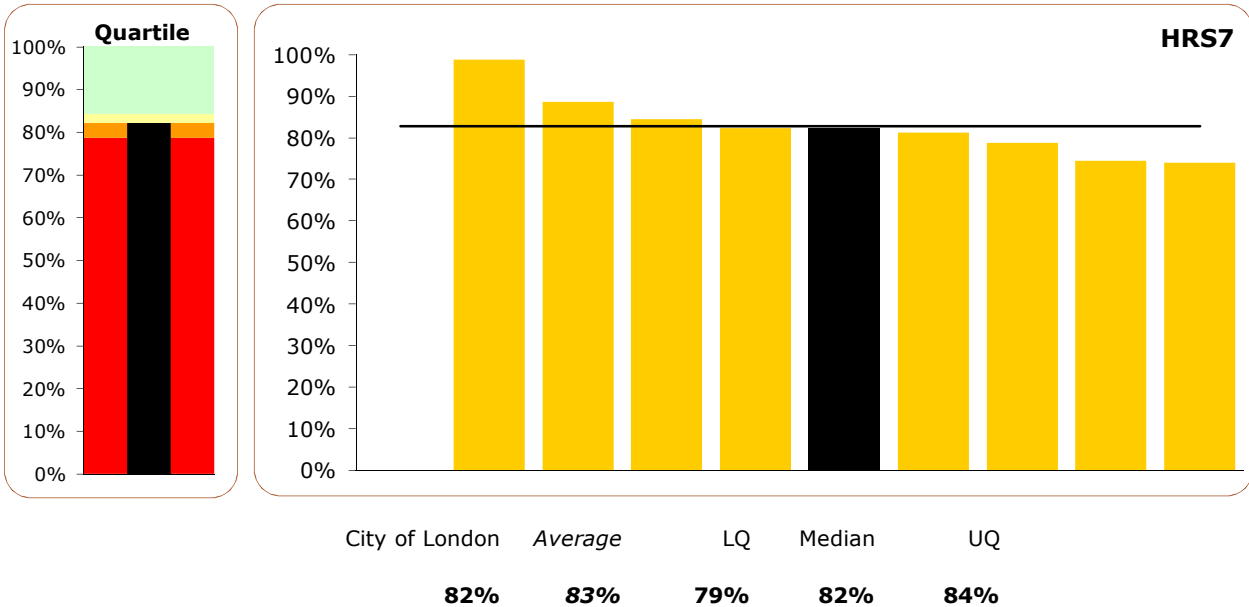
This measures the effectiveness of the organisation's health and safety procedures. Organisations would expect to achieve a period-on-period reduction in the number of incidents although organisations reporting extremely low figures compared to their peers may wish to consider whether all relevant occurrences are correctly reported.



## HRS7 Percentage of people that are still in post after 12 months

### Rationale and expected impact on behaviour

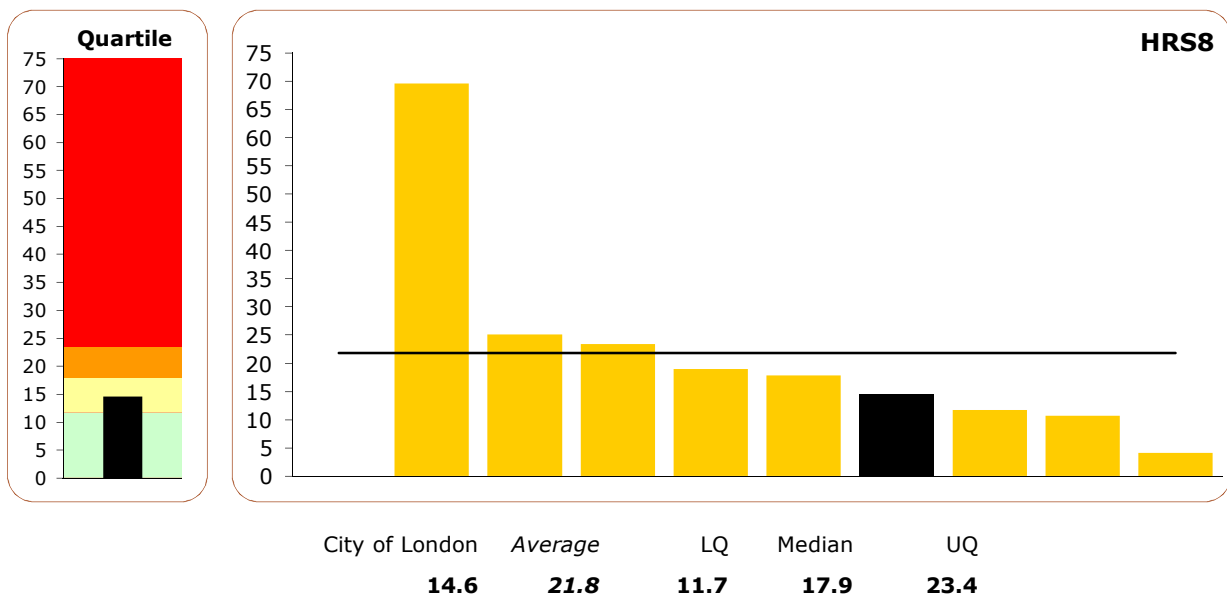
The level of turnover in the first year is an indicator of the effectiveness of the organisation's recruitment and induction processes. This is closely linked to primary indicator 4 (leavers as a proportion of total staff). Organisations would expect to achieve a period-on-period increase in the number of people still in post after 12 months.



## HRS8 Cases of disciplinary action per 1,000 employees

### Rationale and expected impact on behaviour

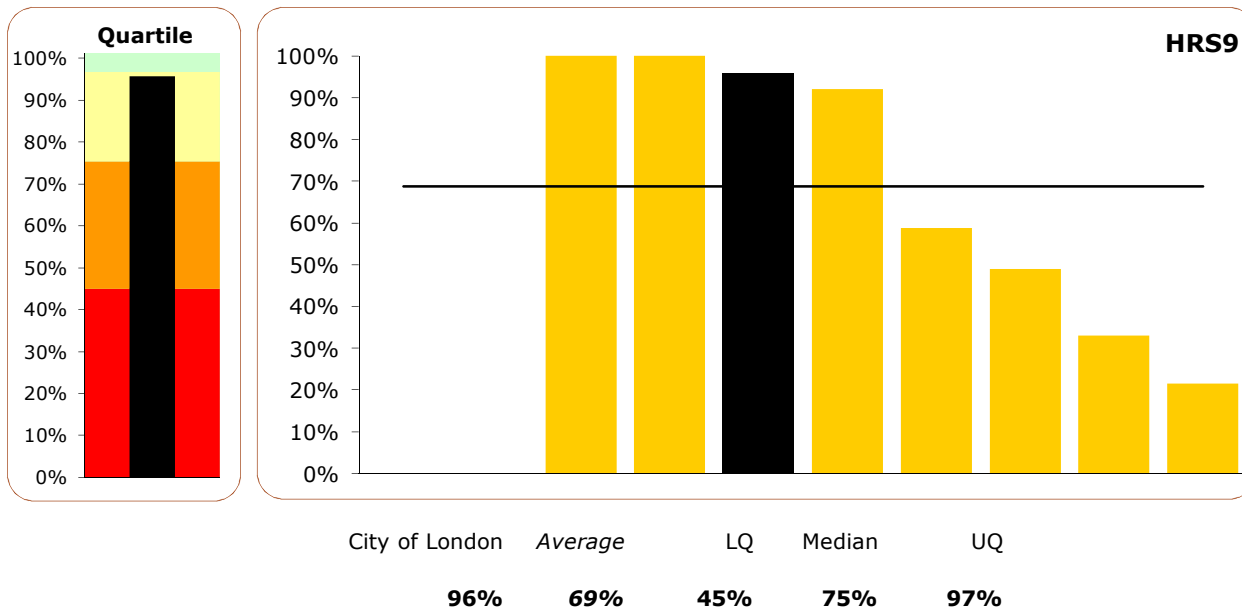
To measure the extent to which capability/performance and conduct are actively managed. Organisations would usually expect to achieve a period-on-period reduction in the number of cases. However where no cases are actioned or where the number is considerably less than for peers with no apparent plausible explanation, organisations may wish to investigate whether managers are correctly applying disciplinary procedures.



## HRS9 Percentage of staff who receive (at least) an annual face to face performance appraisal

### Rationale and expected impact on behaviour

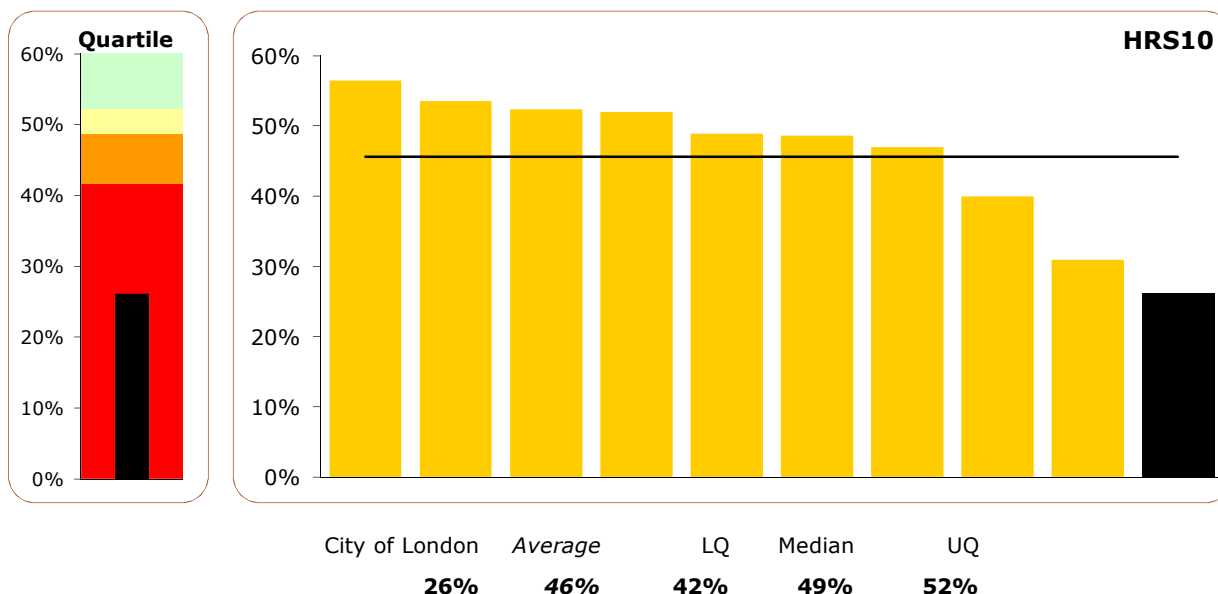
To measure the coverage of individual performance management processes across the organisation. Organisations should aim to move towards achieving 100 per cent for this indicator (particularly in respect of their permanent staff).



## HRS10 Percentage of leadership posts occupied by women

### Rationale and expected impact on behaviour

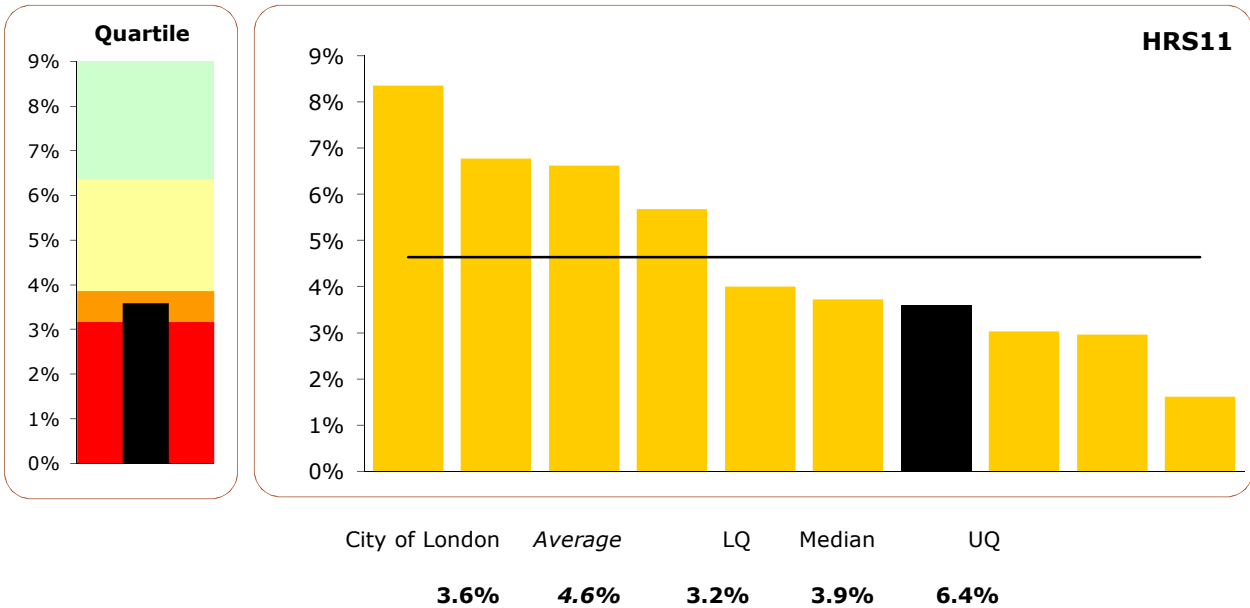
To monitor progress in the achievement of equality of opportunity in employment for leadership posts. Organisations should compare their achievement against this indicator with their peers and, in most cases, should seek to secure a period-on-period increase in respect of this indicator.



## HRS11 Percentage of employees who consider themselves to have a disability

### Rationale and expected impact on behaviour

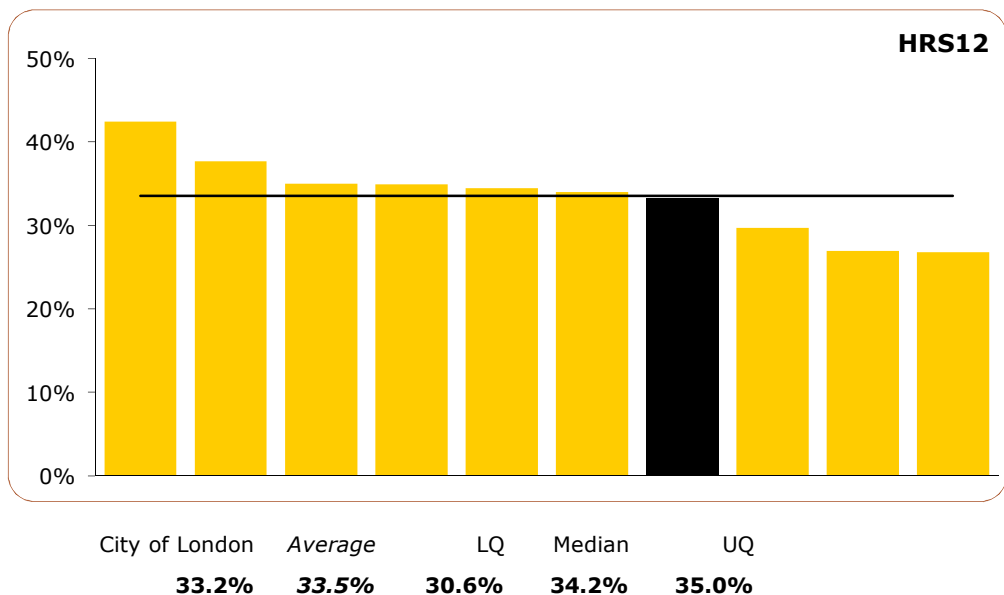
To monitor progress in the achievement of equality of opportunity in employment. Organisations should compare their achievement against this indicator with that of their peers and consider how the composition of their workforce might move towards a position that, for example, is more representative of the community they serve.



## HRS12 Percentage of employees aged 50 or over

### Rationale and expected impact on behaviour

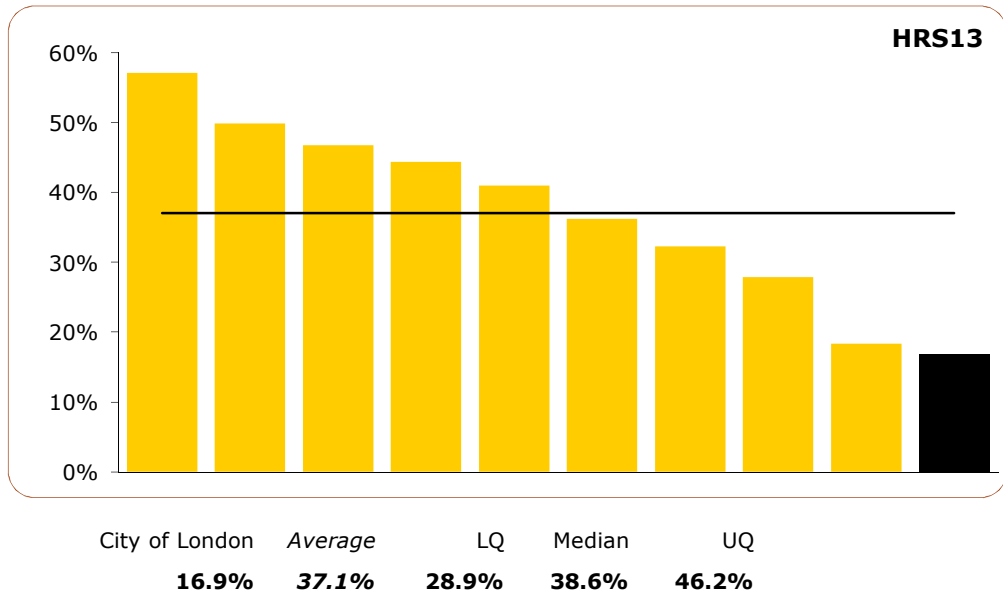
To monitor progress in the achievement of equality of opportunity in employment. Organisations should compare their achievement against this indicator with that of their peers and consider how the composition of their workforce might move towards a position that, for example, is more representative of the community they serve.



## HRS13 Percentage of Black and Minority Ethnic (BME) employees in the workforce

### Rationale and expected impact on behaviour

To monitor progress in the achievement of equality of opportunity in employment. Organisations should compare their achievement against this indicator with that of their peers and consider how the composition of their workforce might move towards a position that, for example, is more representative of the community they serve.



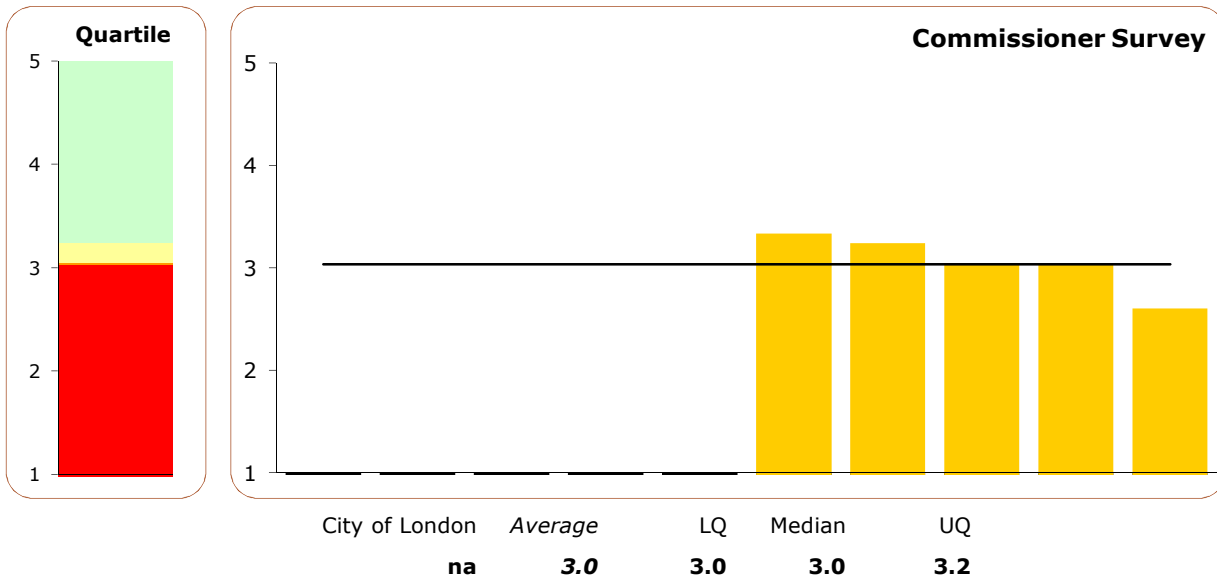
# Section 3 - SATISFACTION

## Rationale and expected impact on behaviour

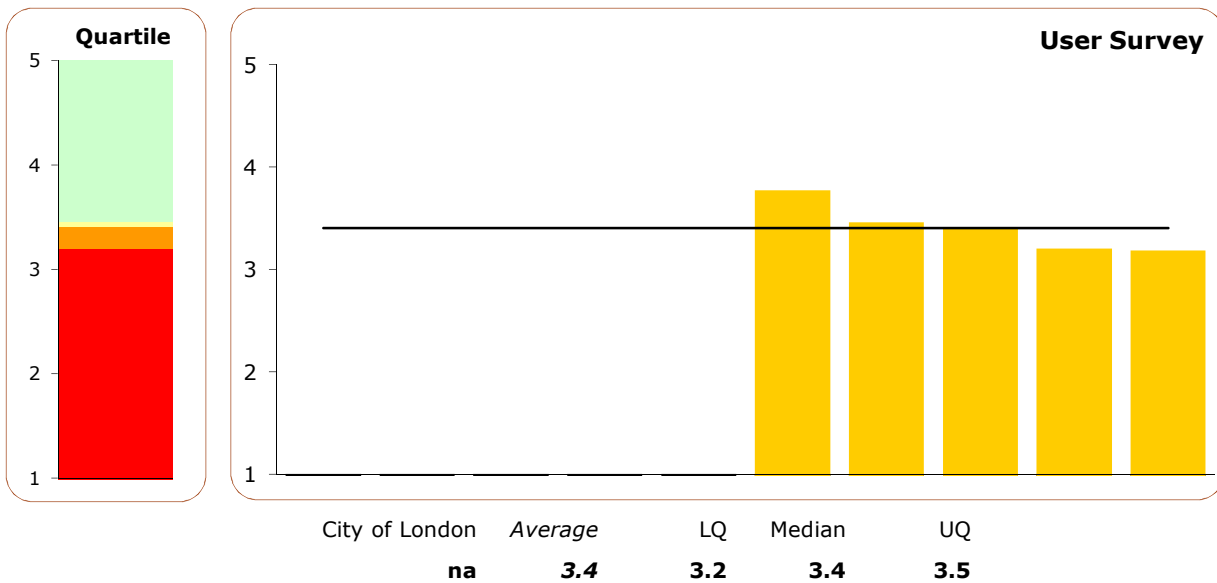
This indicator examines the effectiveness of the HR function by assessing the perceptions of its commissioners and users. The indicators have been identified because they are considered to indicate whether the function communicates effectively with its commissioners and users, and is responsive to the requirements of the organisation.

Over time, organisations should seek to increase the proportion of commissioners and users agreeing with the statements.

### HRP6(a) Commissioner satisfaction average score



### HRP6(b) User satisfaction average score

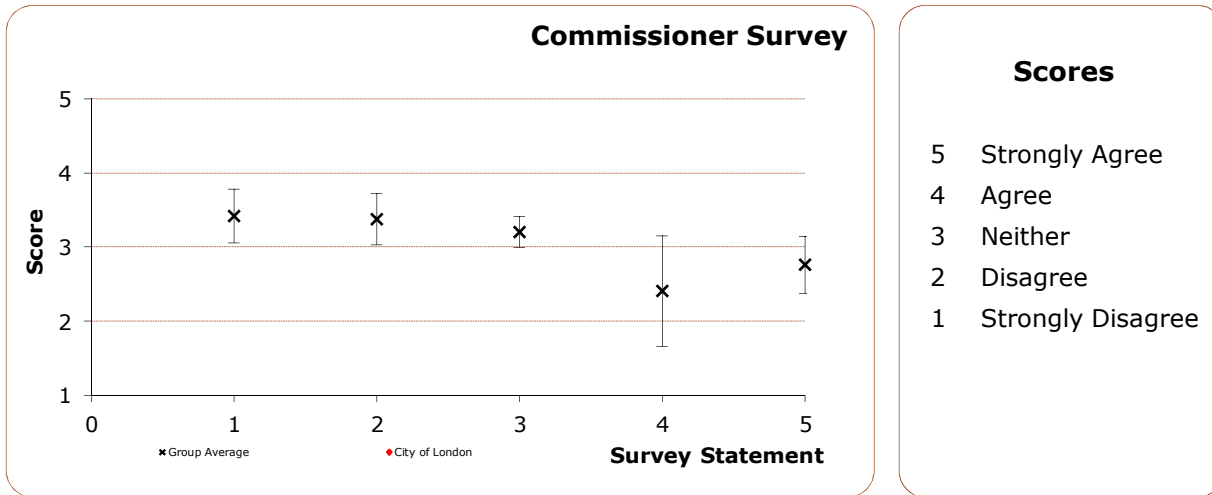




## Analysis of individual statement scores

These charts show the average performance scores for all participants as black x's. The black error bars show one standard deviation either side of the mean. Approximately 65 - 70% of the organisations will fall within this range. The red diamond is the average score for your organisation.

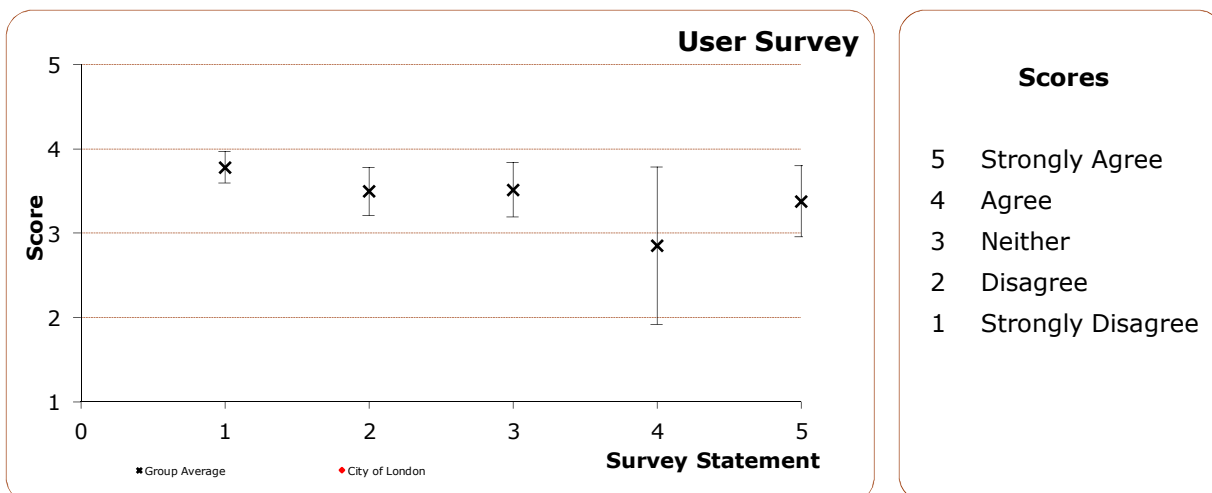
### Commissioner Survey



#### Survey Statements

- The HR function supports delivery of the organisation’s strategic objectives
- The HR function provides quality advice when I need it
- The HR function enables me to address people management issues
- The HR function anticipates the organisation’s workforce issues and addresses them
- The HR function provides value for money

### User Survey

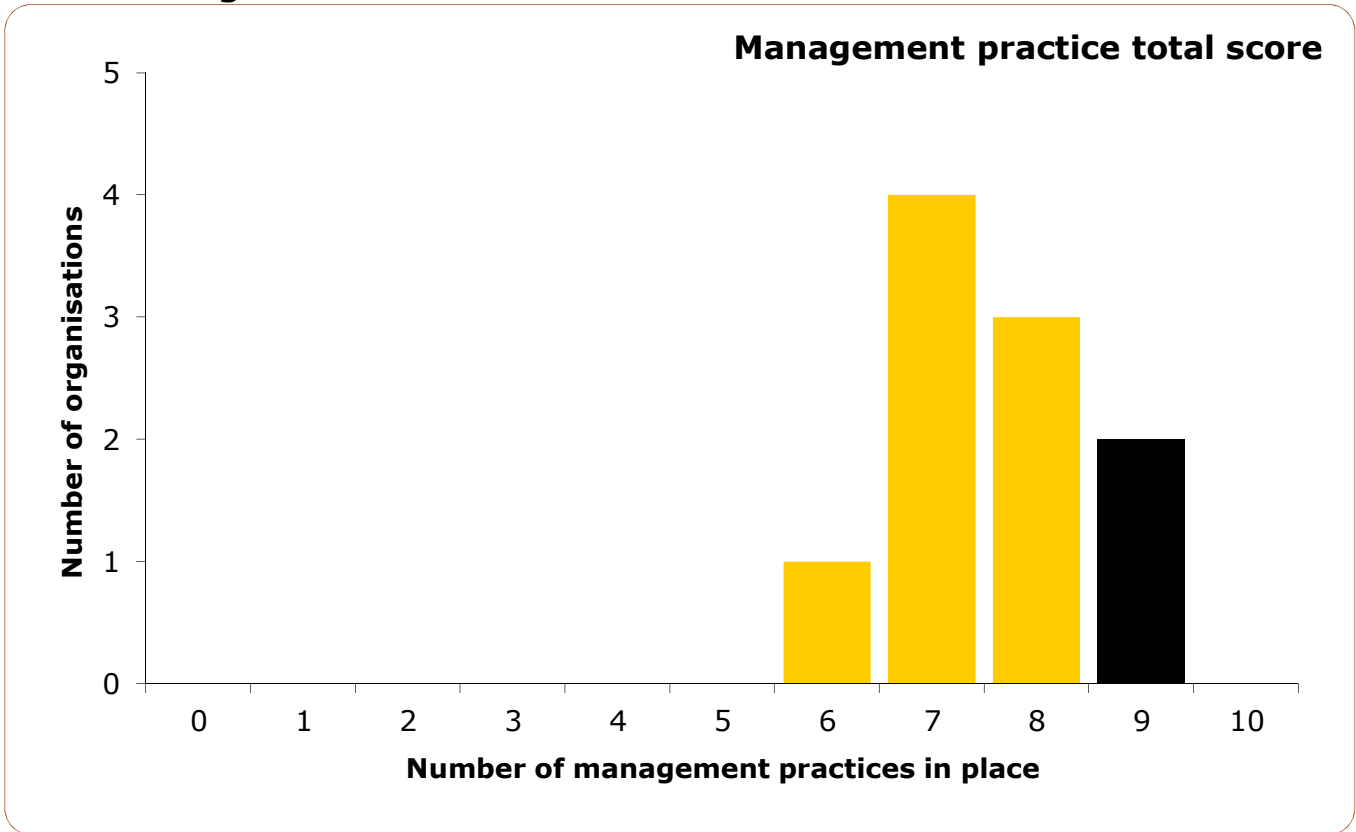


#### Survey Statements

- The organisation offers flexible remuneration and benefits options which take account of the different needs of staff
- The organisation takes the well-being of staff seriously
- The appraisal process helps me set measurable objectives which make clear what is expected of me
- I receive appropriate learning and development in relation to my needs
- I know where to go if I have a query relating to an HR issue

# Section 4 - MANAGEMENT PRACTICE INDICATORS

## HRP7 Management Practice Indicators

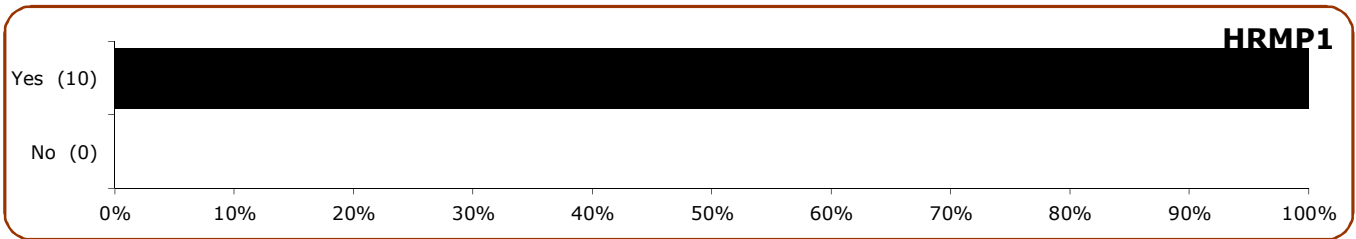


City of London    *Average*    LQ    Median    UQ  
**9.00    7.60    7.00    7.50    8.00**

		Yes	No	% Yes	% No
<b>HRMP1</b>	<b>Yes</b>	<b>10</b>	<b>0</b>	<b>100.0%</b>	<b>0.0%</b>
<b>HRMP2</b>	<b>Yes</b>	<b>8</b>	<b>2</b>	<b>80.0%</b>	<b>20.0%</b>
<b>HRMP3</b>	<b>Yes</b>	<b>7</b>	<b>3</b>	<b>70.0%</b>	<b>30.0%</b>
<b>HRMP4</b>	<b>Yes</b>	<b>9</b>	<b>1</b>	<b>90.0%</b>	<b>10.0%</b>
<b>HRMP5</b>	<b>Yes</b>	<b>9</b>	<b>1</b>	<b>90.0%</b>	<b>10.0%</b>
<b>HRMP6</b>	<b>No</b>	<b>8</b>	<b>2</b>	<b>80.0%</b>	<b>20.0%</b>
<b>HRMP7</b>	<b>Yes</b>	<b>4</b>	<b>6</b>	<b>40.0%</b>	<b>60.0%</b>
<b>HRMP8</b>	<b>Yes</b>	<b>7</b>	<b>3</b>	<b>70.0%</b>	<b>30.0%</b>
<b>HRMP9</b>	<b>Yes</b>	<b>4</b>	<b>6</b>	<b>40.0%</b>	<b>60.0%</b>
<b>HRMP10</b>	<b>Yes</b>	<b>10</b>	<b>0</b>	<b>100.0%</b>	<b>0.0%</b>

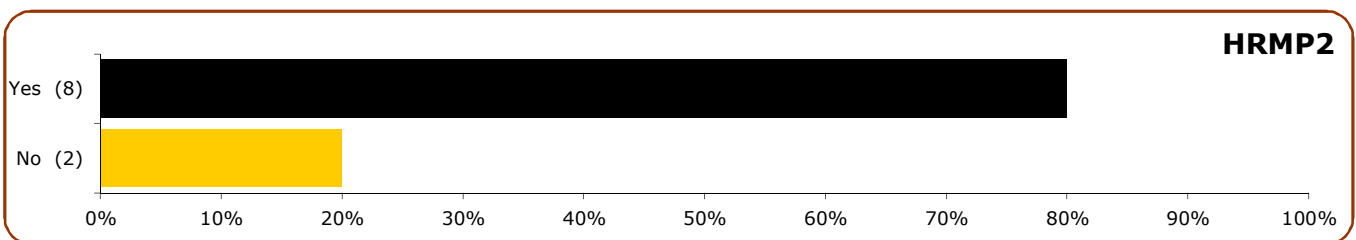
### HRMP1

Within the last three years the HR Function has reviewed and rationalised the number of sets of Terms and Conditions in use in the organisation by 5%



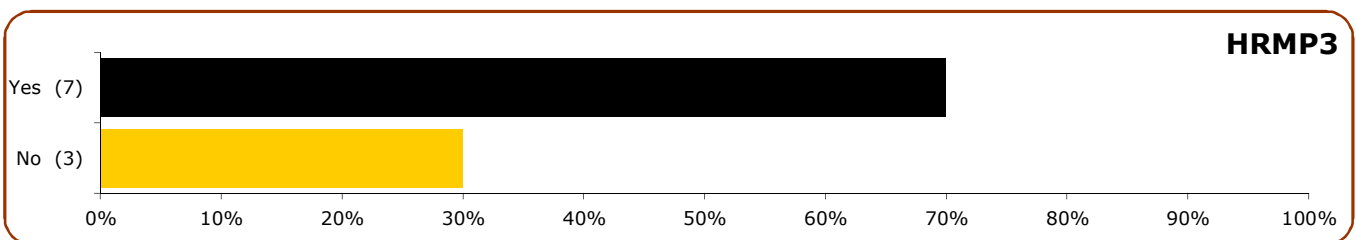
### HRMP2

The organisation has undertaken equality impact assessments across all key service areas within the last three years, and is implementing an action plan which targets areas of vulnerability



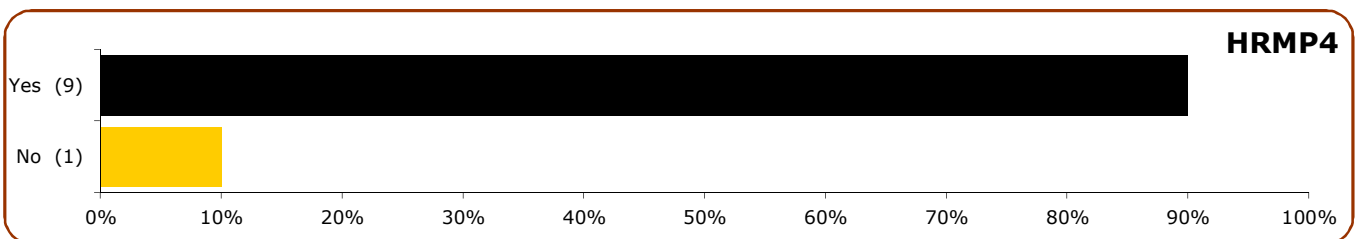
### HRMP3

There is employee self-service through desktop access to modify non-sensitive HR data



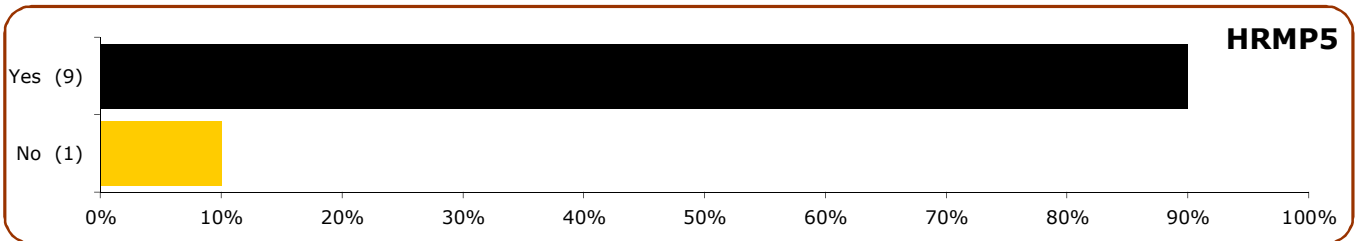
### HRMP4

All employees have clear and measurable outcome based targets set at least annually



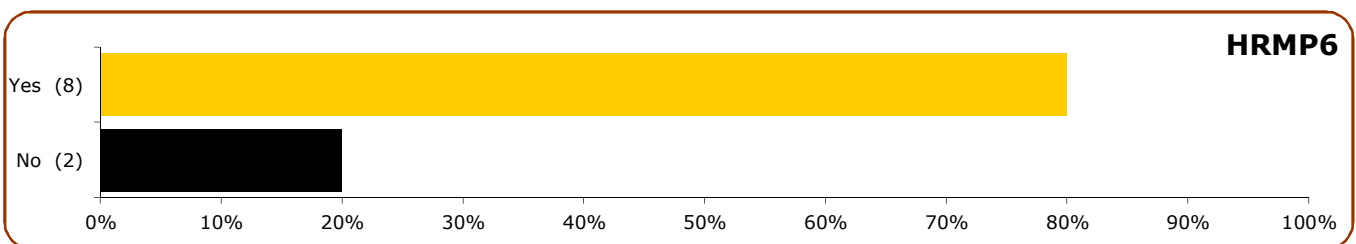
### HRMP5

All employees have had a formal, documented performance review at least on an annual basis which can track personal/professional improvement



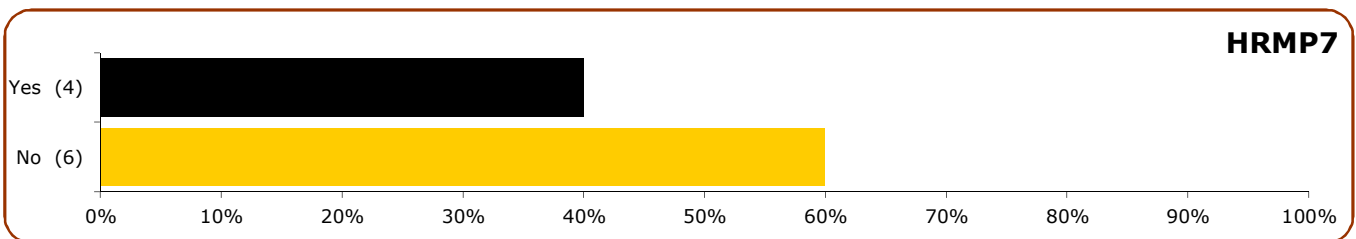
### HRMP6

The organisation carries out a survey of staff satisfaction levels at least biennially, publishes the results, has developed an action plan and monitors delivery of that plan on at least a quarterly basis



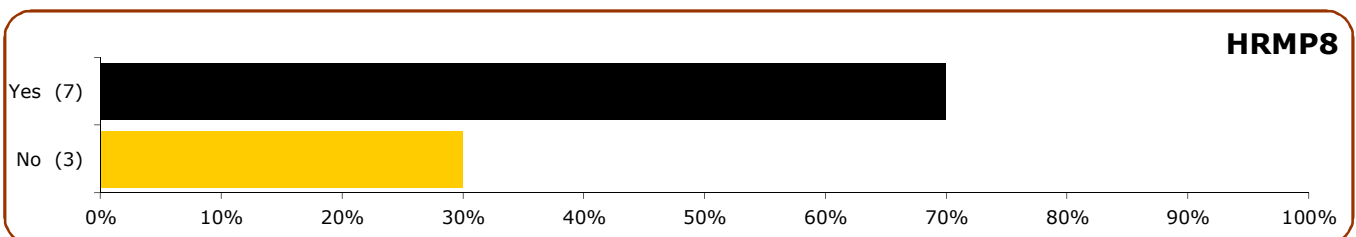
### HRMP7

The organisation explicitly requests that employees declare that they have complied with any Continuous Professional Development (CPD) requirements of their professional institute (where applicable)



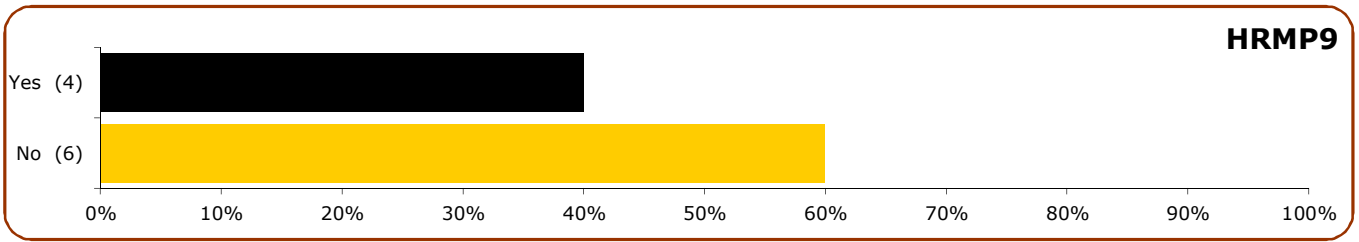
### HRMP8

The organisation has a statement which anticipates the workforce requirements of the organisation over the medium-term (at least 3 years) and an action plan agreed by the Executive/ Corporate Management Team which sets out how those requirements are met and is monitored on a 6 monthly or more frequent basis



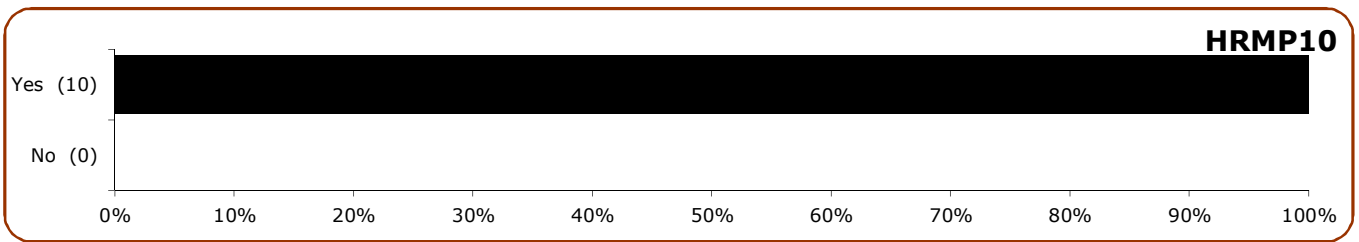
**HRMP9**

A comprehensive professional development programme is in place for professional HR staff which ensures that they receive at least 5 days of continuing professional development per annum



**HRMP10**

It is possible to apply online for all vacancies for which external applications are invited



## Section 5 - TABULAR DATA

	City of London	Average	Lower Quartile	Median	Upper Quartile	
<b>Primary Indicators 2013/14</b>						
<b>HRP1(ai)</b>	Cost of the HR function as a % organisational running costs (including L&D)	<b>0.57%</b>	<b>0.74%</b>	<b>0.49%</b>	<b>0.62%</b>	<b>1.07%</b>
<b>HRP1(aii)</b>	Cost of the HR function as a % organisational running costs (excluding L&D)	<b>0.57%</b>	<b>0.43%</b>	<b>0.33%</b>	<b>0.37%</b>	<b>0.57%</b>
<b>HRP1(b)</b>	Cost of the HR function per fte (including L&D)	<b>£930</b>	<b>£924</b>	<b>£707</b>	<b>£916</b>	<b>£971</b>
<b>HRP1(b)</b>	Cost of the HR function per fte (excluding L&D)	<b>£930</b>	<b>£584</b>	<b>£458</b>	<b>£545</b>	<b>£582</b>
<b>HRP2</b>	Ratio of employees to HR staff (including L&D)	<b>na</b>	<b>131</b>	<b>125</b>	<b>128</b>	<b>135</b>
<b>HRP2</b>	Ratio of employees to HR staff (excluding L&D)	<b>58</b>	<b>126</b>	<b>113</b>	<b>136</b>	<b>152</b>
<b>HRP2</b>	Ratio of employees to L&D staff	<b>na</b>	<b>932</b>	<b>826</b>	<b>861</b>	<b>1003</b>
<b>HRP3</b>	Average days per full-time equivalent employee per year invested in learning and development	<b>1.5</b>	<b>1.5</b>	<b>1.2</b>	<b>1.5</b>	<b>1.9</b>
<b>HRP4</b>	Leavers in the last year as a % of the average total staff	<b>6.8%</b>	<b>9.7%</b>	<b>6.9%</b>	<b>10.1%</b>	<b>12.0%</b>
<b>HRP5</b>	Average working days per employee per year lost through sickness absence	<b>5.6</b>	<b>8.4</b>	<b>6.8</b>	<b>8.2</b>	<b>9.8</b>
<b>Secondary Indicators</b>						
<b>HRS1</b>	Cost of learning and development activity as % total pay-bill	<b>na</b>	<b>1.0%</b>	<b>0.6%</b>	<b>1.1%</b>	<b>1.3%</b>
<b>HRS2</b>	Cost of agency staff as a % total payroll	<b>9.9%</b>	<b>9.1%</b>	<b>5.8%</b>	<b>9.5%</b>	<b>13.1%</b>
<b>HRS3</b>	% posts in the leadership which are filled by people who are not permanent in that position	<b>0.6%</b>	<b>6.2%</b>	<b>3.4%</b>	<b>5.9%</b>	<b>9.0%</b>
<b>HRS4</b>	Average elapsed time (days) from a vacancy occurring to the acceptance of an offer for the same post	<b>88.0</b>	<b>63.7</b>	<b>51.1</b>	<b>68.0</b>	<b>73.5</b>
<b>HRS5</b>	Cost of recruitment per post filled	<b>na</b>	<b>£1,368</b>	<b>£683</b>	<b>£1,695</b>	<b>£1,875</b>
<b>HRS6</b>	Reported injuries, diseases and dangerous occurrences per 1,000 employees	<b>3.3</b>	<b>4.7</b>	<b>2.9</b>	<b>4.5</b>	<b>6.4</b>
<b>HRS7</b>	% people that are still in post after 12 months service	<b>82%</b>	<b>83%</b>	<b>79%</b>	<b>82%</b>	<b>84%</b>
<b>HRS8</b>	Cases of disciplinary action per 1,000 employees	<b>14.6</b>	<b>21.8</b>	<b>11.7</b>	<b>17.9</b>	<b>23.4</b>
<b>HRS9</b>	% staff who receive (at least) an annual face to face performance appraisal	<b>96%</b>	<b>69%</b>	<b>45%</b>	<b>75%</b>	<b>97%</b>
<b>HRS10</b>	% leadership posts occupied by women	<b>26%</b>	<b>46%</b>	<b>42%</b>	<b>49%</b>	<b>52%</b>
<b>HRS11</b>	% employees who consider themselves to have a disability	<b>3.6%</b>	<b>4.6%</b>	<b>3.2%</b>	<b>3.9%</b>	<b>6.4%</b>
<b>HRS12</b>	% employees aged 50 or over	<b>33%</b>	<b>34%</b>	<b>31%</b>	<b>34%</b>	<b>35%</b>
<b>HRS13</b>	% Black and Minority Ethnic (BME) employees in the workforce	<b>16.9%</b>	<b>37.1%</b>	<b>28.9%</b>	<b>38.6%</b>	<b>46.2%</b>

**Public Sector Corporate Services VfM Indicators**  
**Legal Services**  
**2013/14**

**City of London Corporation**

*compared with*

With Other London Boroughs

Copyright:  
CIPFA Business Limited  
3 Robert Street, London, WC2N 6RL  
Tel: 0203 117 1840

## Preface

The UK Audit Agencies (Audit Commission, NAO, Audit Wales, Audit Scotland and Northern Ireland Audit Office) combined together to develop a set of indicators to measure the value for money of support services across the public sector. KPMG, with CIPFA as a partner, was appointed to undertake the research and development work and the Audit Agencies published their report in May 2007.

The functions covered by the VfM indicators (Communications, Finance, HR, ICT, Legal, Estates Management and Procurement) have been identified by the Government as a priority area for securing efficiency improvements and releasing resources for use in delivering front-line services. Although the Audit Agencies were keen for public sector bodies to use the indicators, they decided not to offer a benchmarking service themselves. CIPFA has therefore undertaken to provide this service to the public sector.

I hope that you find the enclosed information useful, and more importantly that you use it in the spirit in which it is intended; this is a tool to help you take a view on the value for money provided by your corporate support services, and provide some pointers as to how they might improve.

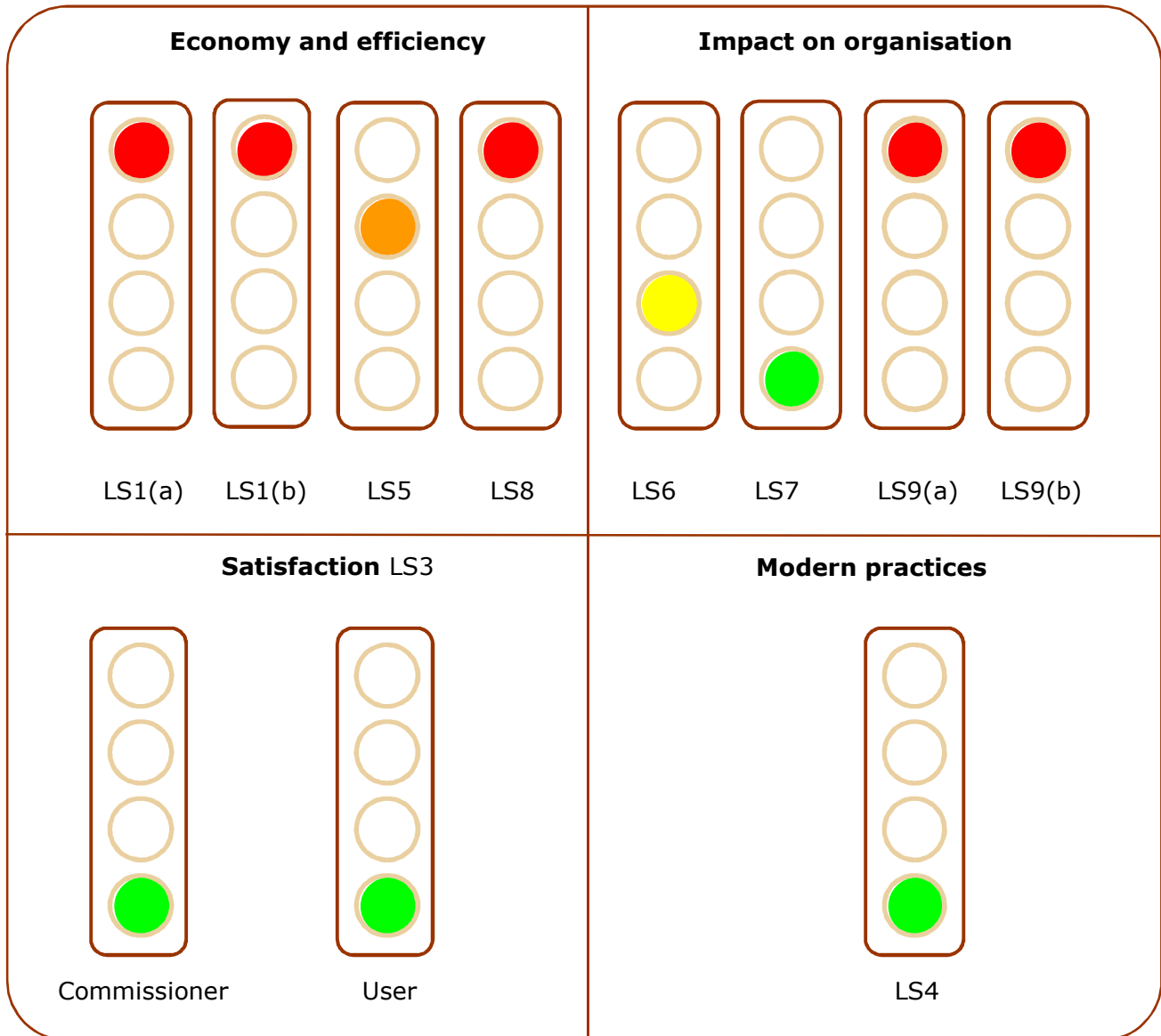
CIPFA would be more than happy to come and discuss with you potential opportunities for you to improve your services, building on the information in this report. Please do not hesitate to email [vfmindicators@cipfa.org](mailto:vfmindicators@cipfa.org) if you would like to discuss this or any other matters further.

John Parsons  
Benchmarking Manager



## RESULTS ON ONE PAGE

The Audit Agencies developed an approach to considering Value for Money for Corporate Services which had four dimensions. The overall results are shown below:



### Notes:

- A green light indicates performance in the best quartile; a yellow light indicates performance between the median and best quartile; an amber light indicates performance between the median and worst quartile and a red light indicates performance in the worst quartile.
- For the purposes of this report, high cost and low productivity are considered poor. However, we accept this is a generalisation and that in some circumstances organisations can choose to invest more in functions because they have under invested in the past or because they want to place particular emphasis on a function.
- Full descriptions of the indicators are shown in the remainder of this report.

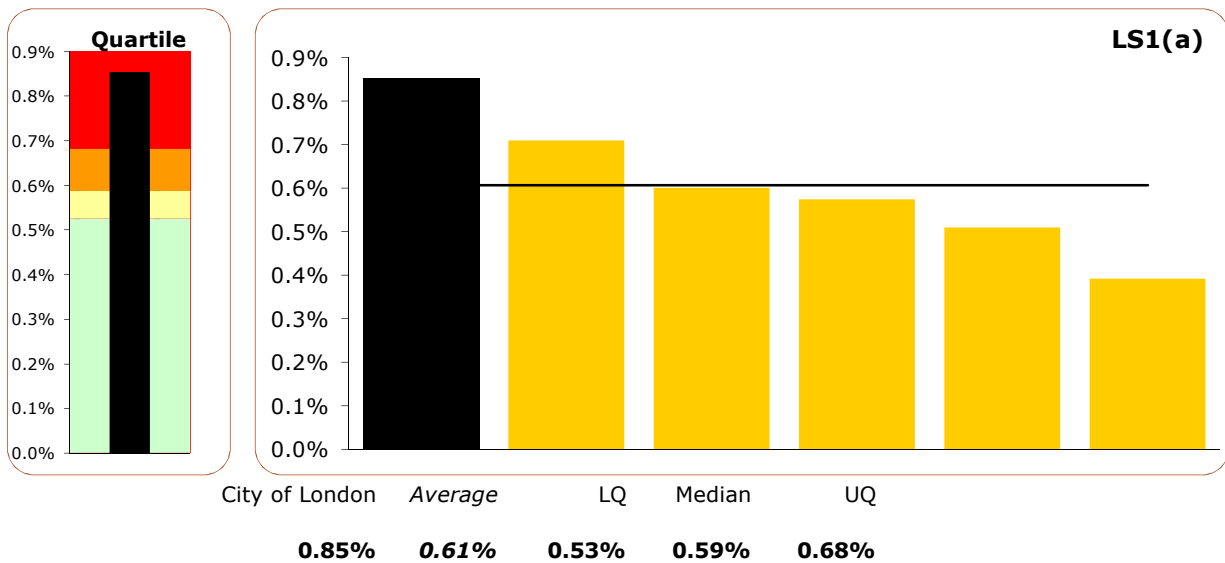
# Section 1 - ECONOMY AND EFFICIENCY

## LS1 Cost of the Legal Services function 2013/14

### Rationale and expected impact on behaviour

This is a high-level indicator of the cost-effectiveness of the legal function. In most circumstances organisations would aim to reduce their legal costs over time. However, organisations that score poorly on measures designed to test effectiveness of the legal function (for example indicators 4, 5 8 and 9) and also spend less on legal services than the benchmark for their peers, will wish to consider whether extra investment would secure better value for money. Organisations that spend more than their peer organisations may wish to consider whether this is because, for example, they have above average score against effectiveness criteria or whether there is scope for efficiency savings (for example evidenced by a disproportionately high cost of learning and development, indicator 6).

### LS1(a) Cost of the Legal Services function as percentage of organisational running costs



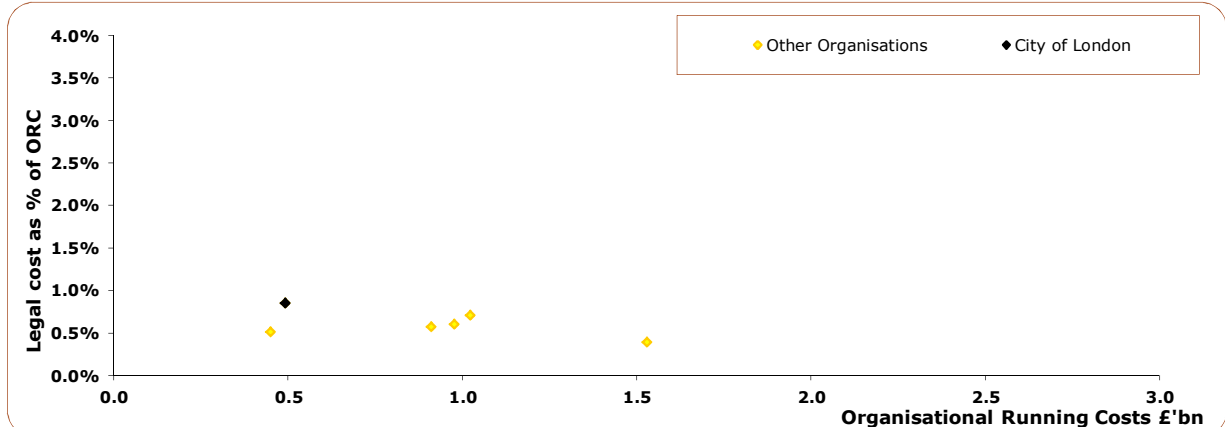
### Cost of Difference

This shows the monetary value represented by the difference in percentage from the median (and lower quartile). Favourable variances are shown as negative figures.

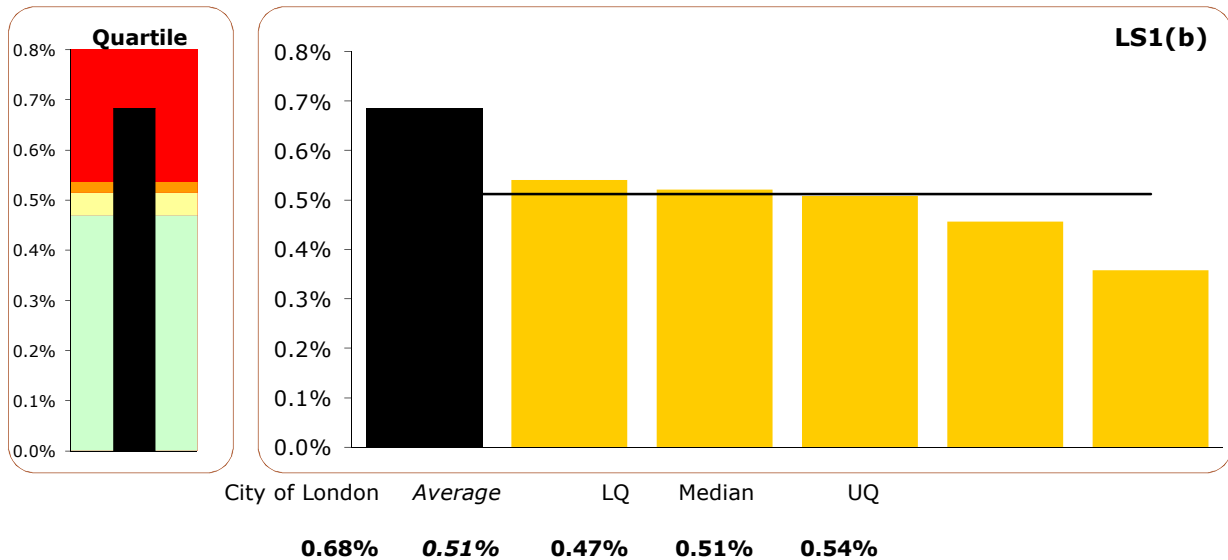
From median (£'000) **£1,306**      From lower quartile (£'000) **£1,609**

### Economies of Scale

This chart investigates the relationship between cost and size of the organisation. There is some indication that very small organisations tend to use a higher proportion of their resources on the Legal Services function.



## LS1(b) Cost of the Legal Services function net of income as percentage of organisational running costs



### Cost of Difference

This shows the monetary value represented by the difference in percentage from the median (and lower quartile). Favourable variances are shown as negative figures.

From median (£'000)

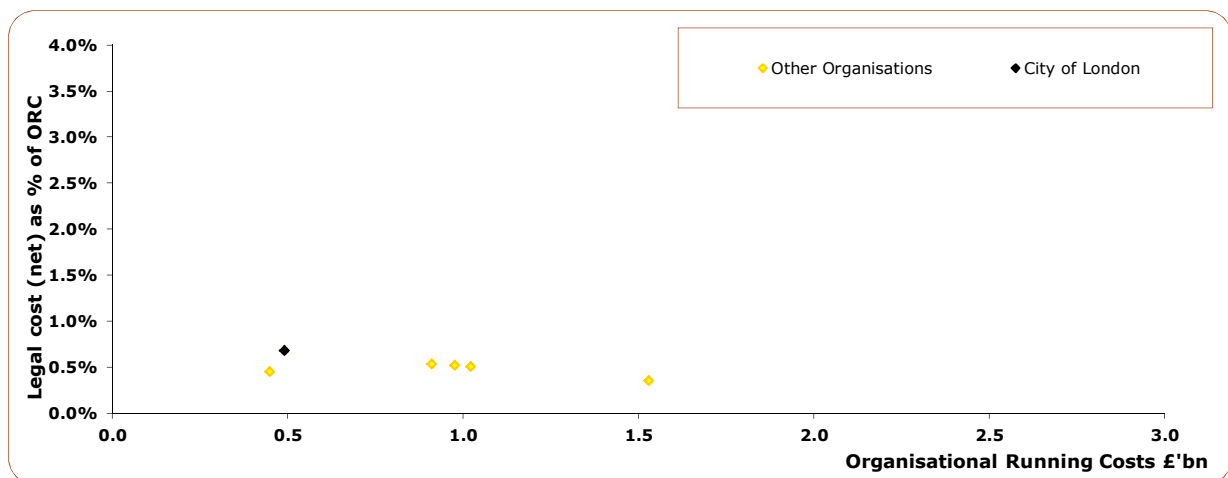
**£828**

From lower quartile (£'000)

**£1,051**

### Economies of Scale

This chart investigates the relationship between cost and size of the organisation. There is some indication that very small organisations tend to use a higher proportion of their resources on the Legal Services function.



## Legal Services Cost/£'000 Organisation running costs 2013/14

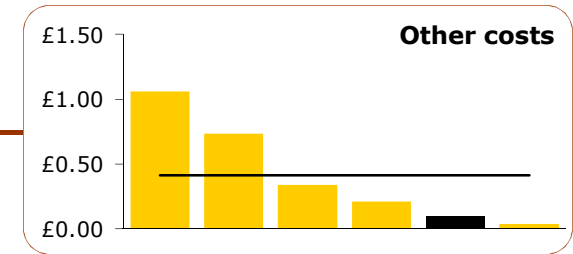
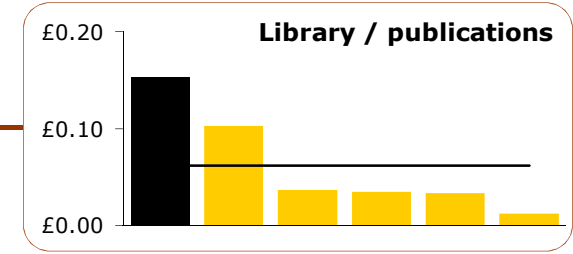
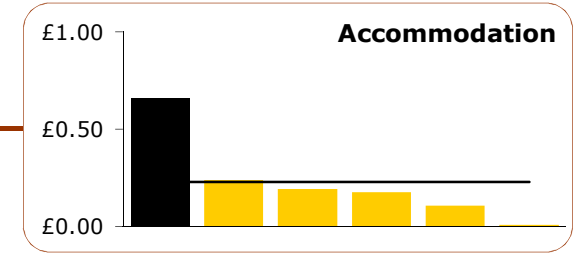
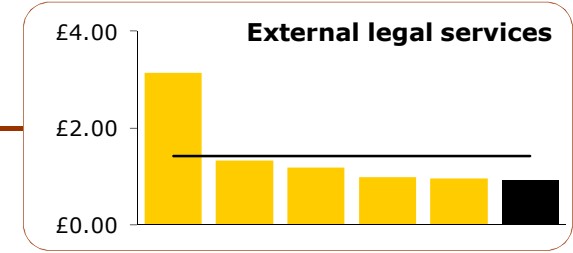
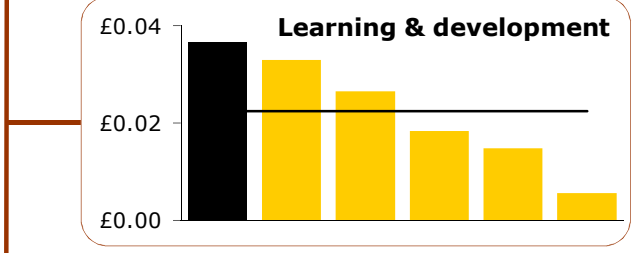
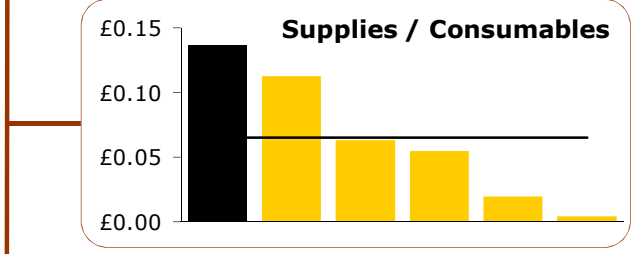
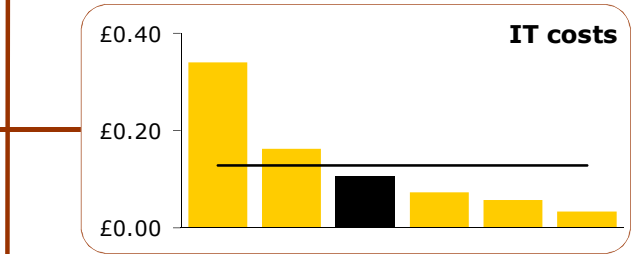
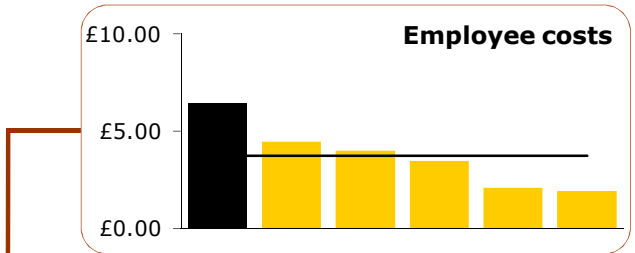
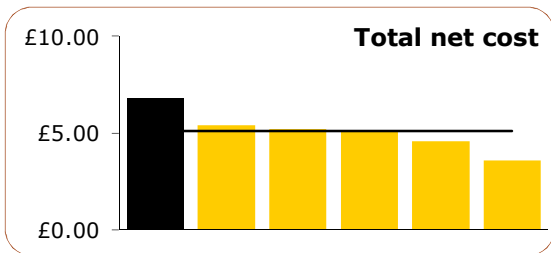
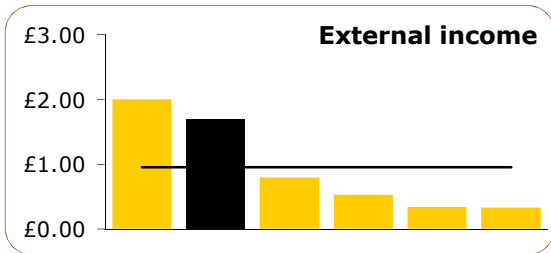
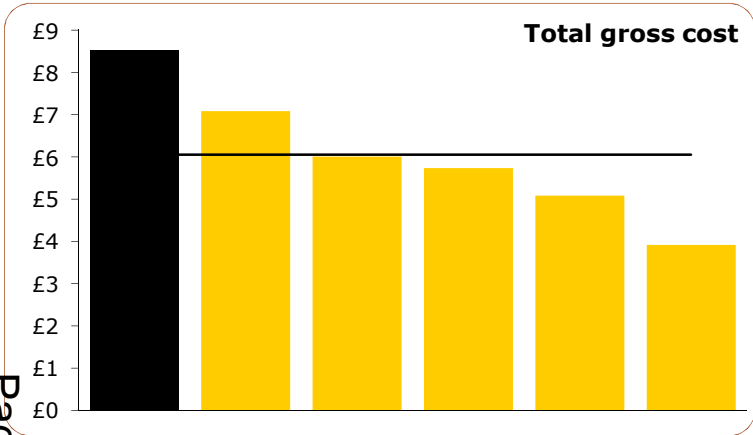
For each benchmark two figures are given, the first being the organisation's cost and the second (in italics) is the group average.

		<b>Employee costs</b>		<b>Costs 2013/14 (£'000)</b>	
		£6.43	£3.73	Employee costs	3,159
				External legal services	447
		<b>External legal services</b>		IT costs	52
		£0.91	£1.42	Accommodation	323
				Supplies / Consumables	67
		<b>IT costs</b>		Library / Publications	75
		£0.11	£0.13	Learning & development	18
				Other costs	49
<b>Total gross cost</b>		<b>Accommodation</b>		<b>Total gross cost</b>	<b>4,190</b>
£8.53	£6.06	£0.66	£0.23		
				<b>External income</b>	<b>833</b>
		<b>Supplies / Consumables</b>			
<b>External income</b>		£0.14	£0.07	<b>Total net cost</b>	<b>3,357</b>
£1.70	£0.95				
		<b>Library / Publications</b>		<b>Organisational running costs</b>	<b>491,300</b>
<b>Total net cost</b>		£0.15	£0.06		
£6.83	£5.11				
		<b>Learning &amp; development</b>			
		£0.04	£0.02		
		<b>Other costs</b>			
		£0.10	£0.41		

# COST PER £'000 ORGANISATIONAL RUNNING COSTS

2013/14 Actuals

Page 73

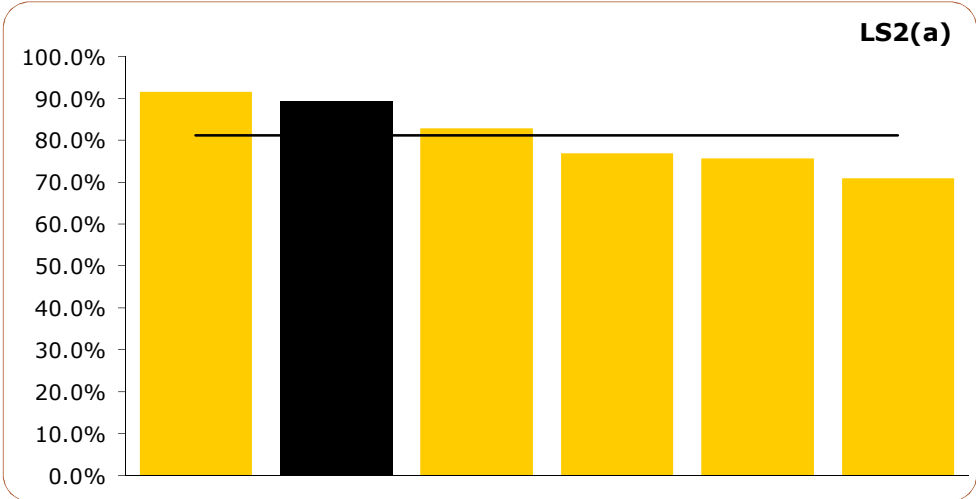


## LS2 The cost of in-house and externally sourced legal work

**Rationale and expected impact on behaviour**

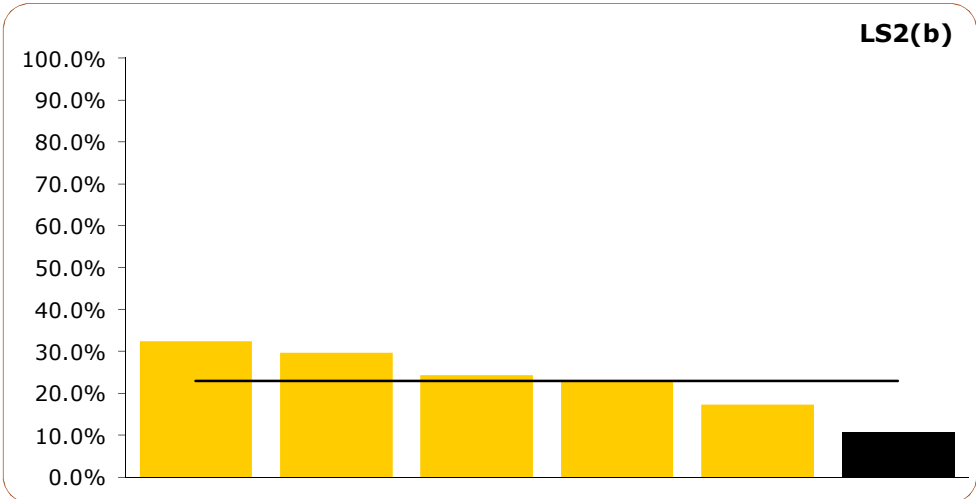
This is a high-level indicator of the cost of in-house and externally sourced legal work. Certain legal work will be externally sourced, for example, where an organisation requires specialist legal advice not available in-house or to deal with peaks and troughs of work. Organisations that spend more than their peer organisations on externally sourced legal work may wish to consider whether the mix of work done in-house and externally sourced represents effective and efficient use of resources.

### LS2(a) The cost of the in-house legal function as a percentage of the total legal function cost



City of London	Average	LQ	Median	UQ
<b>89.3%</b>	<b>81.2%</b>	<b>75.9%</b>	<b>79.8%</b>	<b>87.7%</b>

### LS2(b) The cost of externally sourced legal work as a percentage of the total legal function cost

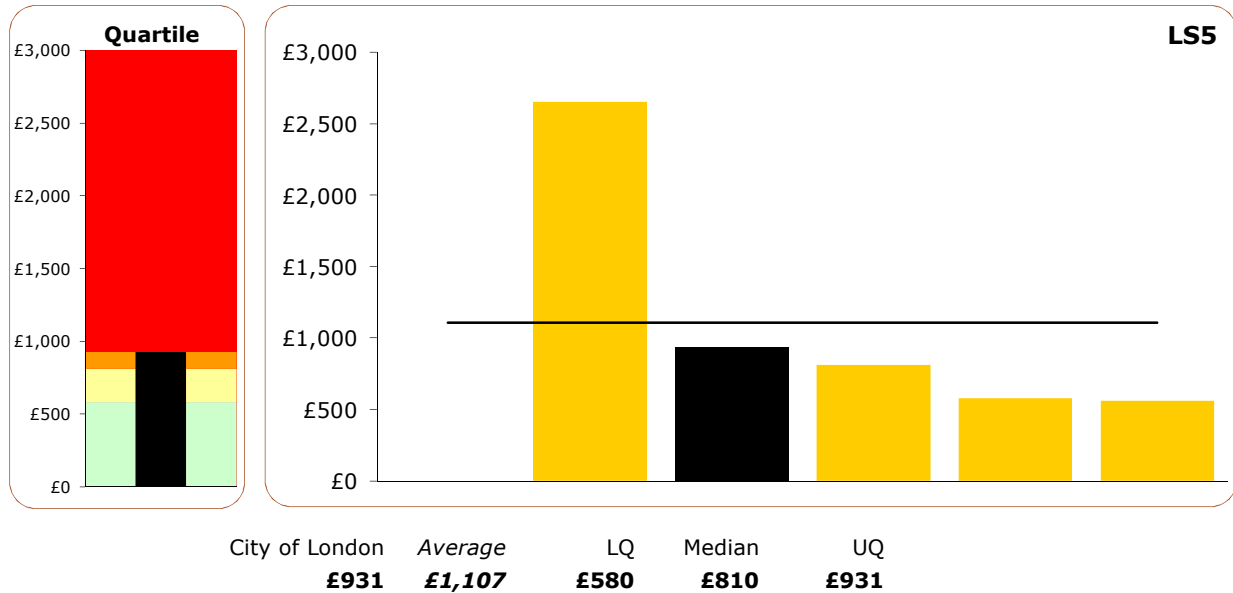


City of London	Average	LQ	Median	UQ
<b>10.7%</b>	<b>22.9%</b>	<b>18.7%</b>	<b>23.7%</b>	<b>28.4%</b>

## LS5 Cost of the legal function per employee

### Rationale and expected impact on behaviour

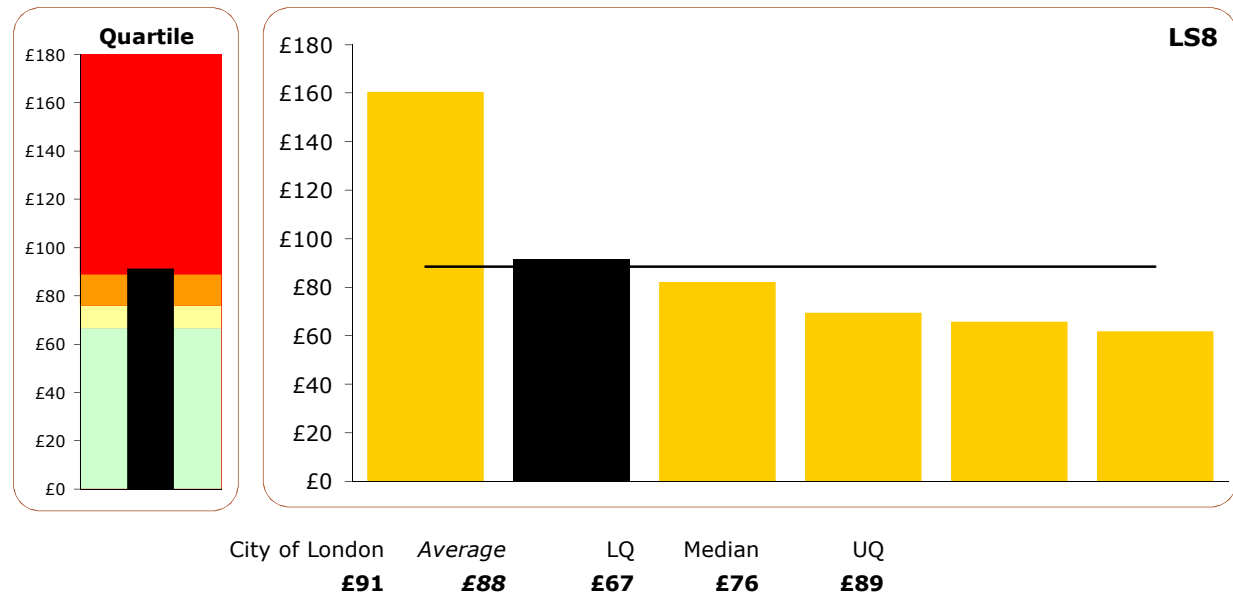
In most circumstances organisations would aim to reduce their legal costs over time. However, organisations that score poorly on measures designed to test the effectiveness of the legal function (for example indicators 3 and 4) will wish to consider whether extra investment would secure better value for money.



## LS8 Cost per hour of providing legal work

### Rationale and expected impact on behaviour

This indicator of the cost-effectiveness of the legal function complements indicators 1, 2 and 3. Organisations should compare their result for this indicator with their peers, investigating the reasons for any significant differences.



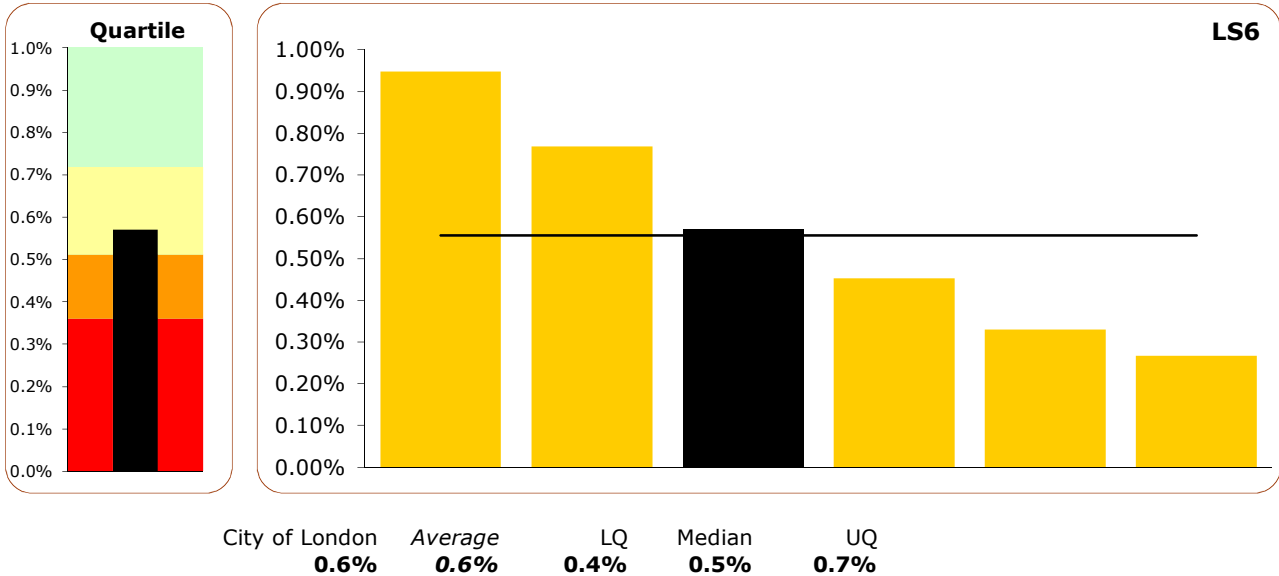
## Section 2 - IMPACT

### LS6 Cost of learning and development activity as percentage of the total pay-bill

#### Rationale and expected impact on behaviour

The level of activity on learning and development indicates the organisation's commitment to enhancing its capacity to deliver and improve.

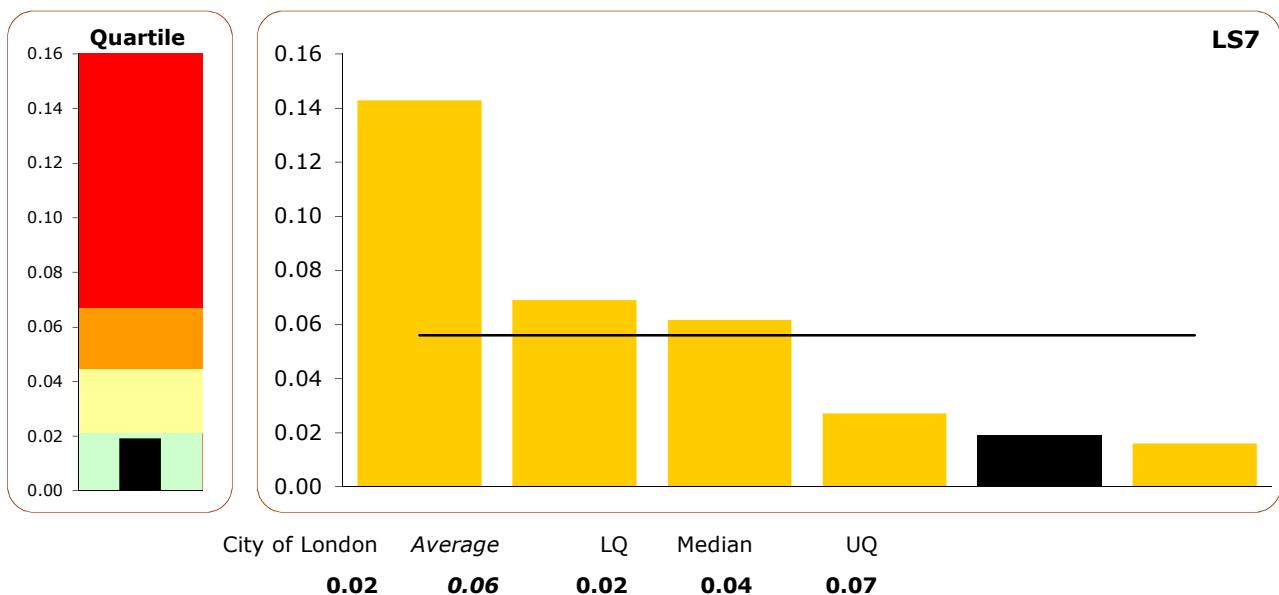
The costs relate to learning and development activity including where appropriate, obtaining continuing professional development (CPD) hours. Organisations should compare their results with their peers, investigating the reasons for any significant differences, taking into account factors such as any difference in the average degree of experience within the workforce and turnover of staff.



### LS7 Total number of complaints received per legal employee

#### Rationale and expected impact on behaviour

Organisations should compare their results with their peers, investigating the reasons for any significant differences, taking into account factors such as any difference in the type of legal work being provided. Organisations would aim to achieve a period-on-period reduction in the number of complaints received. Organisations should have clear procedures for recording and dealing with complaints.





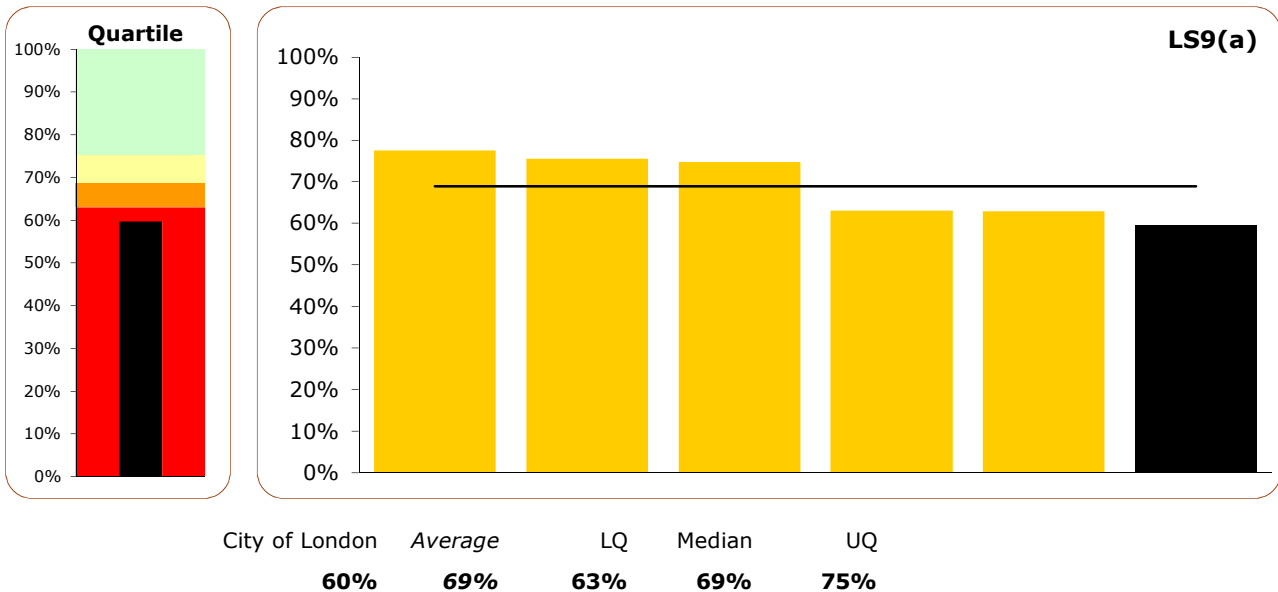
## LS9 Ratio of qualified legal staff (FTE) to total legal staff (FTE) Ratio of legal staff (FTE) to support staff (FTE)

### Rationale and expected impact on behaviour

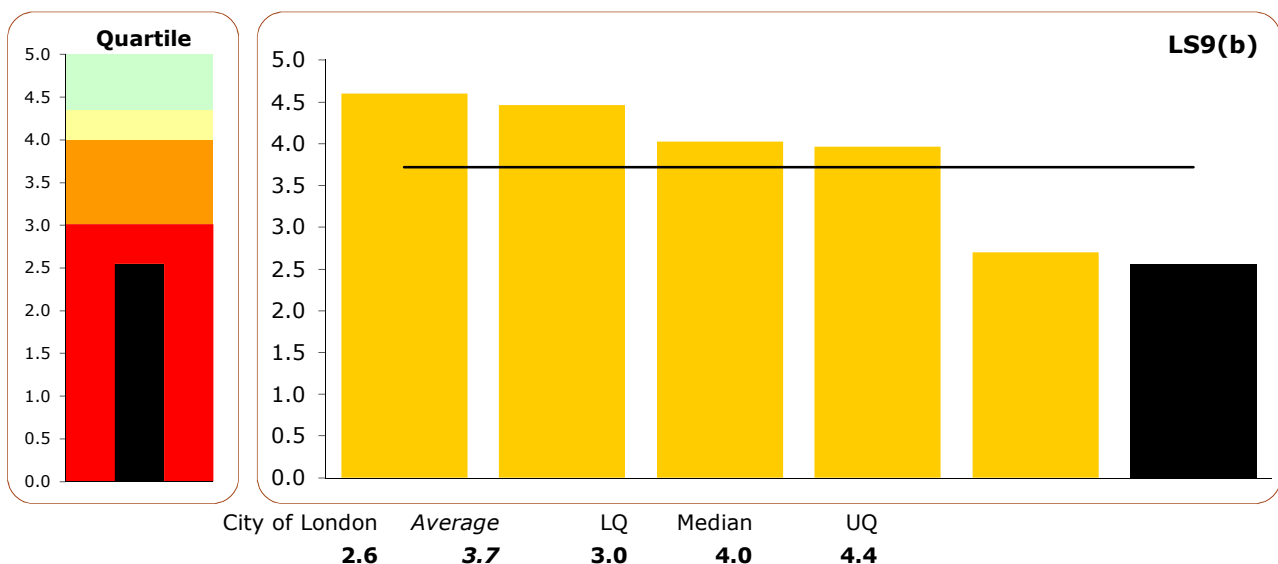
This indicator assesses the capacity and competency of the legal function by examining the proportion of staff with a professional legal qualification. Legal personnel within both the central legal function and those employed in other parts of the organisation should be included.

Organisations should compare their results with their peers, investigating the reasons for any significant differences, taking into account factors such as any difference in the type of legal work being provided. Organisations who outsource all their legal work will report a zero return for this indicator.

### LS9(a) Ratio of qualified legal employees (FTE) to total legal employees (FTE)



### LS9(b) Ratio of legal staff (FTE) to support staff (FTE)

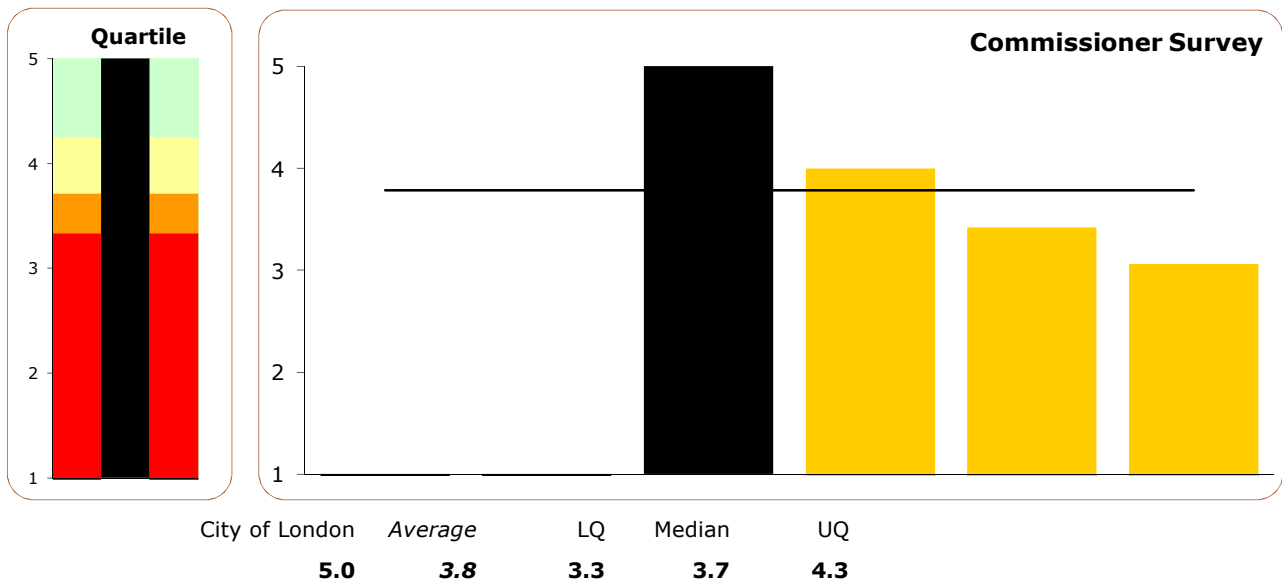


# Section 3 - SATISFACTION

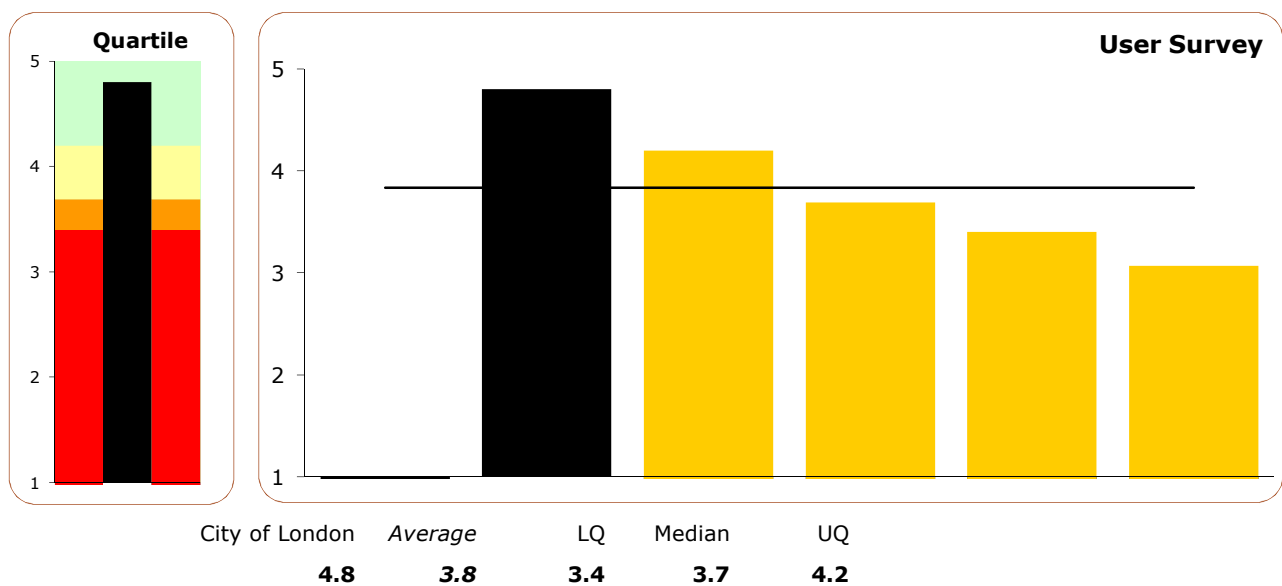
## Rationale and expected impact on behaviour

This indicator examines the effectiveness of the legal function by assessing the perceptions of its commissioners and users. The statements have been identified because they are considered to indicate whether the function communicates effectively with its commissioners and users, and is responsive to the requirements of the organisation. Over time, organisations should seek to increase the proportion of commissioners and users agreeing with the statements. (Organisations may wish to incorporate these statements into existing surveys of users and commissioners).

### LS3(a) Commissioner satisfaction average score



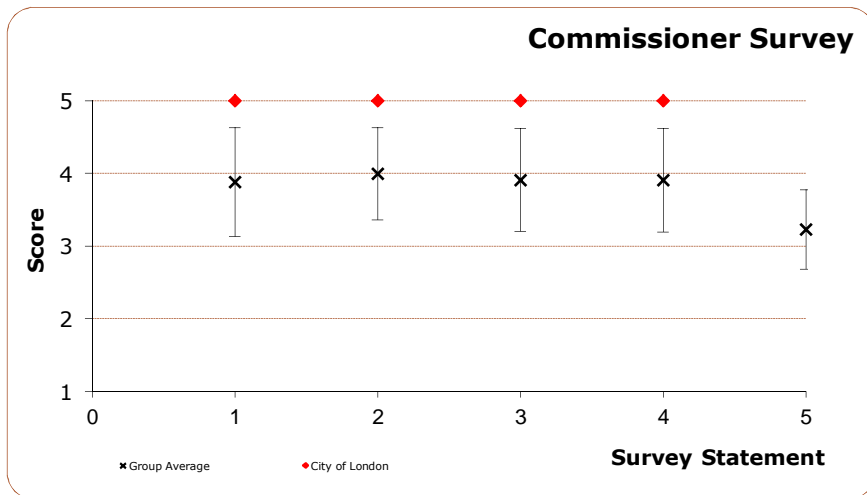
### LS3(b) User satisfaction average score



## Analysis of individual statement scores

These charts show the average performance scores for all participants as black x's. The black error bars show one standard deviation either side of the mean. Approximately 65 - 70% of the organisations will fall within this range. The red diamond is the average score for your organisation.

### Commissioner Survey



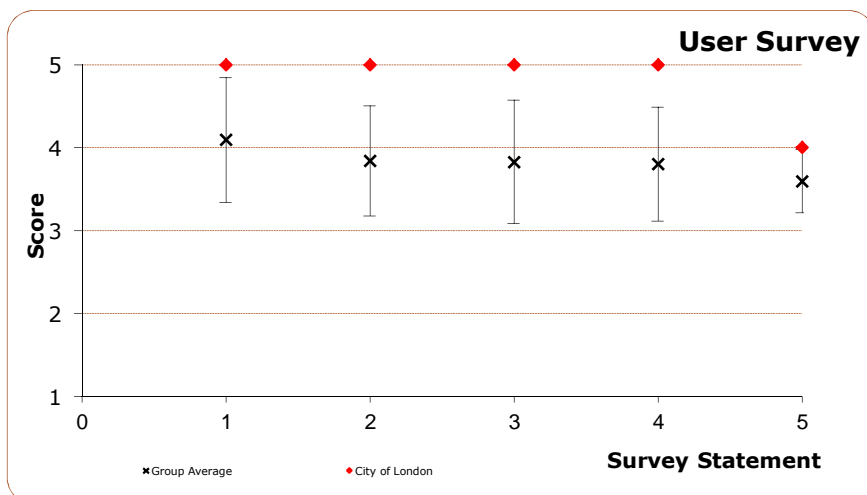
#### Scores

- 5 Strongly Agree
- 4 Agree
- 3 Neither
- 2 Disagree
- 1 Strongly Disagree

### Survey Statements

- The legal services function provides quality advice within agreed timeframes
- The legal services function contributes effectively to the organisation's governance, planning and policy processes
- The legal service reacts promptly when something goes wrong and acts effectively to address issues raised
- The legal service contributes effectively to managing the organisation's risk
- Legal services provide value for money

### User Survey



#### Scores

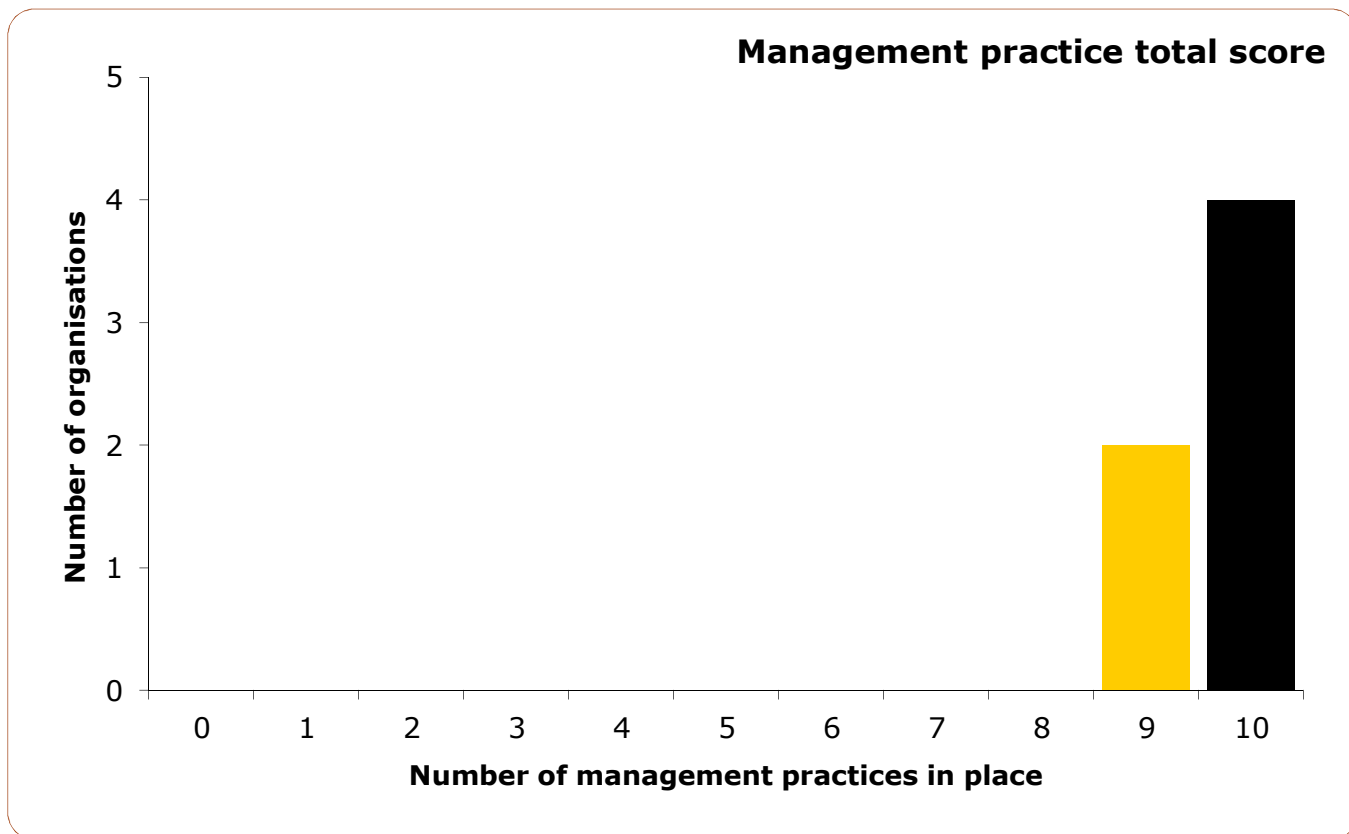
- 5 Strongly Agree
- 4 Agree
- 3 Neither
- 2 Disagree
- 1 Strongly Disagree

### Survey Statements

- The lawyer was accessible and had regard to any changing needs
- The advice provided by the lawyer was consistent and clear
- The lawyer's advice was constructive
- The lawyer kept me informed of progress
- The advice was provided within the agreed timeframe

# Section 4 - MANAGEMENT PRACTICE INDICATORS

## LS4 Management Practice Indicators

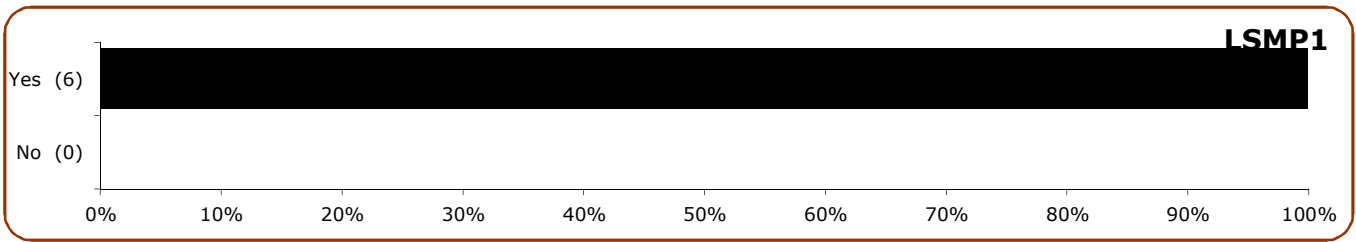


City of London    *Average*    LQ    Median    UQ  
**10.00**    **9.67**    **9.25**    **10.00**    **10.00**

		Yes	No	% Yes	% No
<b>LSMP1</b>	<b>Yes</b>	<b>6</b>	<b>0</b>	<b>100.0%</b>	<b>0.0%</b>
<b>LSMP2</b>	<b>Yes</b>	<b>5</b>	<b>1</b>	<b>83.3%</b>	<b>16.7%</b>
<b>LSMP3</b>	<b>Yes</b>	<b>6</b>	<b>0</b>	<b>100.0%</b>	<b>0.0%</b>
<b>LSMP4</b>	<b>Yes</b>	<b>6</b>	<b>0</b>	<b>100.0%</b>	<b>0.0%</b>
<b>LSMP5</b>	<b>Yes</b>	<b>6</b>	<b>0</b>	<b>100.0%</b>	<b>0.0%</b>
<b>LSMP6</b>	<b>Yes</b>	<b>6</b>	<b>0</b>	<b>100.0%</b>	<b>0.0%</b>
<b>LSMP7</b>	<b>Yes</b>	<b>6</b>	<b>0</b>	<b>100.0%</b>	<b>0.0%</b>
<b>LSMP8</b>	<b>Yes</b>	<b>6</b>	<b>0</b>	<b>100.0%</b>	<b>0.0%</b>
<b>LSMP9</b>	<b>Yes</b>	<b>5</b>	<b>1</b>	<b>83.3%</b>	<b>16.7%</b>
<b>LSMP10</b>	<b>Yes</b>	<b>6</b>	<b>0</b>	<b>100.0%</b>	<b>0.0%</b>

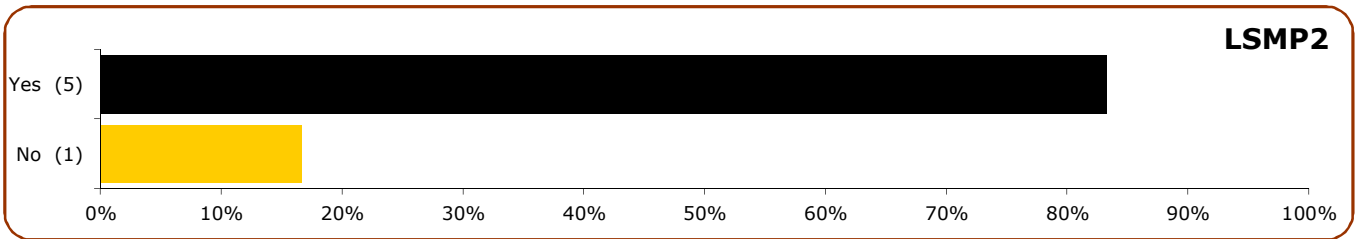
**LSMP1**

A time recording system is in place and all legal staff record their time against legal matters.



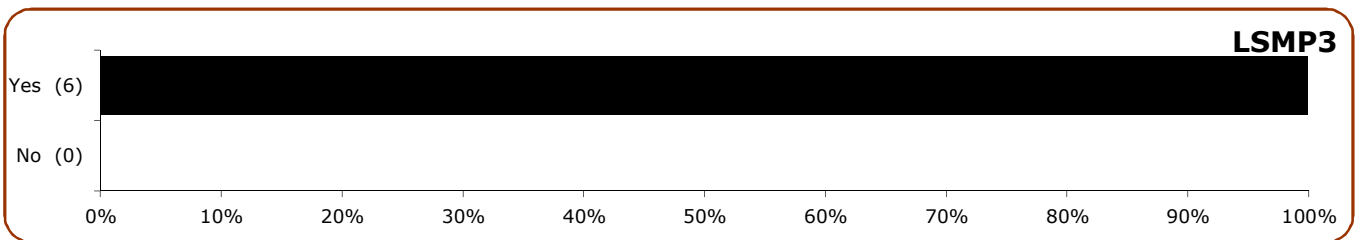
**LSMP2**

The most senior officer in the organisation with a dedicated legal role has a seat on the corporate management team.



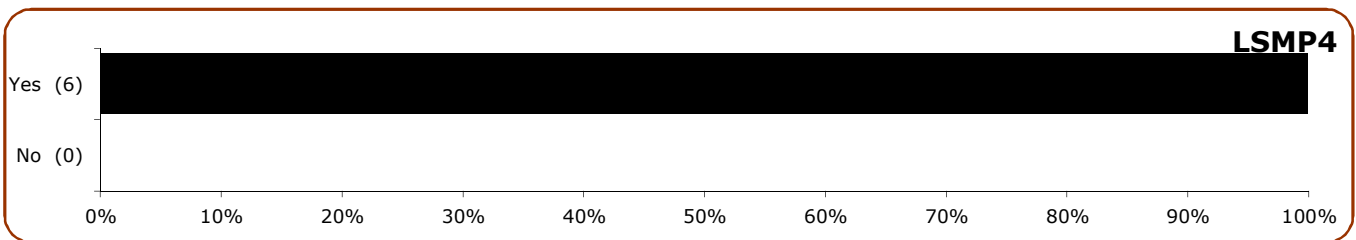
**LSMP3**

The legal unit has costed its internal legal services and developed charge-out rates for its internal lawyers.



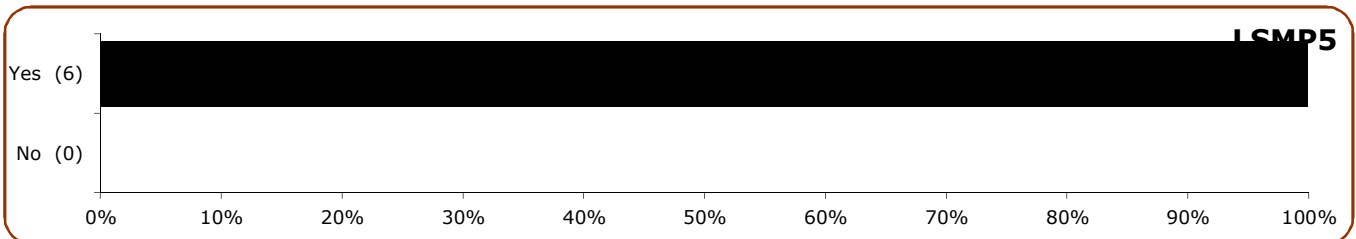
**LSMP4**

All requests for legal services are coordinated through the legal services unit.



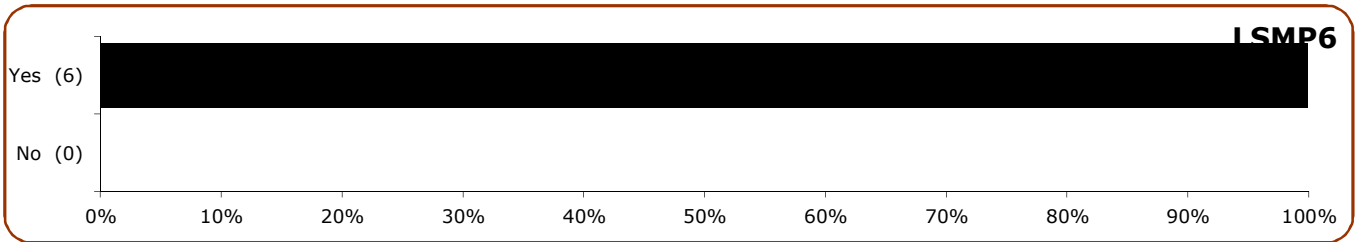
**LSMP5**

The legal unit has a formal business planning process which deals with its ability to deliver programmes and services.



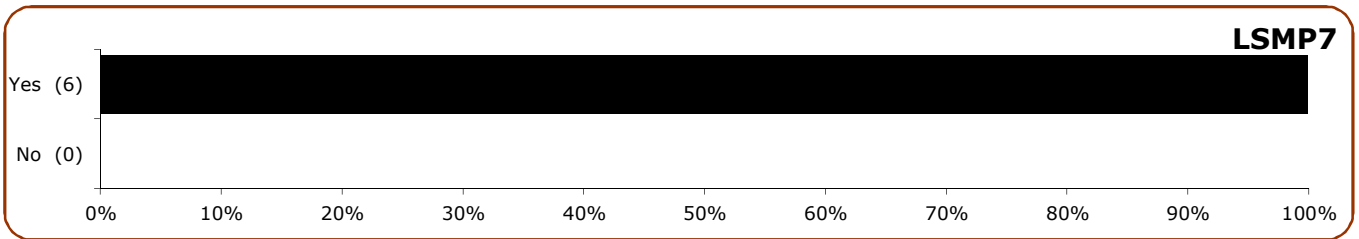
**LSMP6**

A rigorous process of market testing is adopted when purchasing external legal services involving comparative analysis of all relevant costs and benefits.



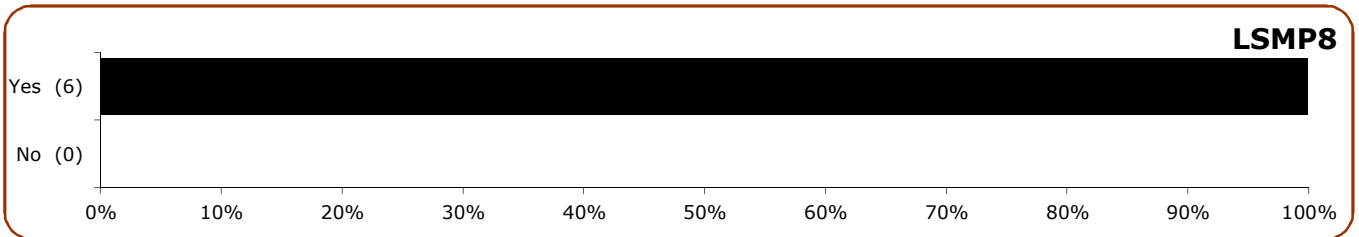
**LSMP7**

Our tender specification(s) accurately reflect the expected needs for legal services.



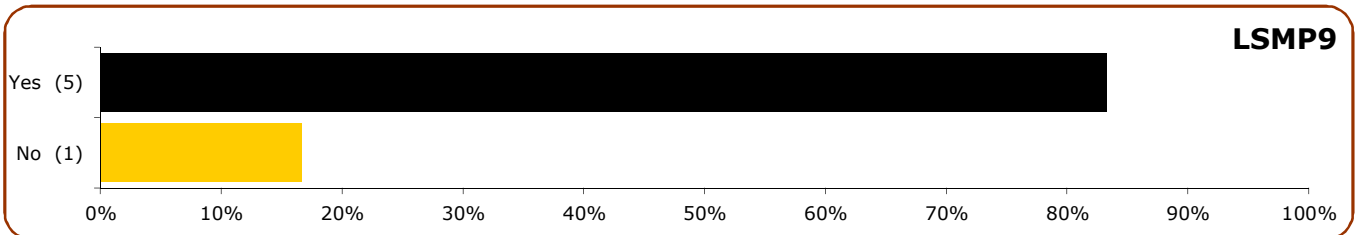
**LSMP8**

We do not have 'evergreen' contracts (contracts that have no expiry date or that include a 'perpetual option').



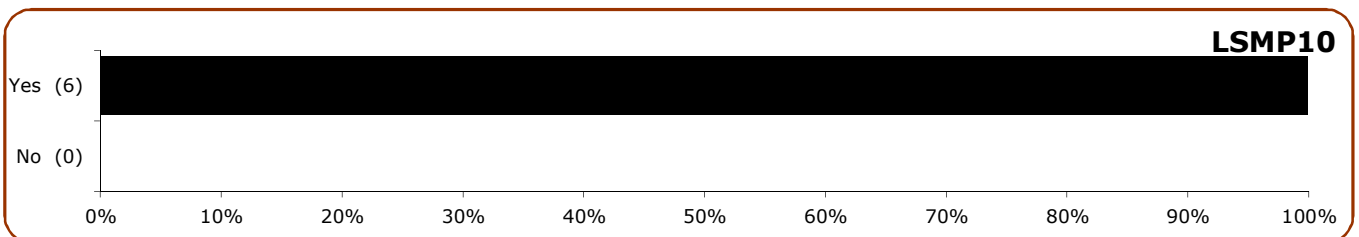
**LSMP9**

The legal unit undertakes periodic reviews (at least biennially) of their legal services arrangements to ensure that arrangements continue to give value for money to the organisation.



**LSMP10**

There are personal development plans for all legal staff linked to the business planning process and the organisation's objectives.



## Section 5 - TABULAR DATA

		City of London	Average	Lower Quartile	Median	Upper Quartile
<b>Indicators 2013/14</b>						
<b>LS1(a)</b>	Cost of the Legal Services function as a % organisational running costs	<b>0.85%</b>	<b>0.61%</b>	<b>0.53%</b>	<b>0.59%</b>	<b>0.68%</b>
<b>LS1(b)</b>	Cost of the Legal Services function (net) as a % organisational running costs	<b>0.68%</b>	<b>0.51%</b>	<b>0.47%</b>	<b>0.51%</b>	<b>0.54%</b>
<b>LS2(a)</b>	Cost of the in-house Legal Services function as a % total legal function cost	<b>89.3%</b>	<b>81.2%</b>	<b>75.9%</b>	<b>79.8%</b>	<b>87.7%</b>
<b>LS2(b)</b>	Cost of externally sourced legal work as a % total legal function cost	<b>10.7%</b>	<b>22.9%</b>	<b>18.7%</b>	<b>23.7%</b>	<b>28.4%</b>
<b>LS5</b>	Cost of the legal function per 1,000 employees	<b>£931</b>	<b>£1,107</b>	<b>£580</b>	<b>£810</b>	<b>£931</b>
<b>LS6</b>	Cost of learning & development activity as % the total pay-bill	<b>0.6%</b>	<b>0.6%</b>	<b>0.4%</b>	<b>0.5%</b>	<b>0.7%</b>
<b>LS7</b>	Number of complaints received per legal employee	<b>0.02</b>	<b>0.06</b>	<b>0.02</b>	<b>0.04</b>	<b>0.07</b>
<b>LS8</b>	Cost per chargeable hour	<b>£91</b>	<b>£88</b>	<b>£67</b>	<b>£76</b>	<b>£89</b>
<b>LS9(a)</b>	Ratio of qualified legal employees (FTE) to total legal employees (FTE)	<b>60%</b>	<b>69%</b>	<b>63%</b>	<b>69%</b>	<b>75%</b>
<b>LS9(b)</b>	Ratio of legal staff (FTE) to support staff (FTE)	<b>2.6</b>	<b>3.7</b>	<b>3.0</b>	<b>4.0</b>	<b>4.4</b>

This page is intentionally left blank



## ***Efficiency and Performance Sub Work Programme 2015***

<b>Date</b>	<b>Items</b>
4 <sup>th</sup> March	<ul style="list-style-type: none"> <li>• Central Support Service Costs</li> <li>• CoLC/CoLP shared services and collaboration</li> <li>• Programme Unit delivery report</li> </ul>
26 <sup>th</sup> May	<ul style="list-style-type: none"> <li>• Consultancy Spend Review (Internal Audit and City Procurement)</li> <li>• Energy performance report (end of year)</li> <li>• Programme Unit delivery report</li> <li>• Performance monitoring report, LAPS Q3</li> </ul>
8 <sup>th</sup> July	<ul style="list-style-type: none"> <li>• Quarterly budget monitoring report</li> <li>• Programme Unit delivery report</li> <li>• Performance monitoring report: LAPS Q4</li> </ul>
16 <sup>th</sup> September	<ul style="list-style-type: none"> <li>• Performance monitoring report</li> <li>• Quarterly budget monitoring report</li> <li>• Programme Unit delivery report</li> </ul>
4 <sup>th</sup> November	<ul style="list-style-type: none"> <li>• Annual Combined Heat and Power report</li> <li>• Performance monitoring report, LAPS Q1</li> <li>• Quarterly budget monitoring report</li> <li>• Programme Unit delivery report</li> <li>• Energy performance report (half year)</li> </ul>

This page is intentionally left blank

# Agenda Item 8

<b>Committee</b>	<b>Dated:</b>
Efficiency and Performance Sub Committee – For Information	27 January 2015
<b>Subject:</b> Performance Monitoring: London-wide Performance Indicators	<b>Public</b>
<b>Report of:</b> Deputy Town Clerk	<b>For Information</b>

## Summary

This report presents the most recent results from the dashboard of service Performance Indicators monitored and reported quarterly by London Councils, known as LAPS (London Authorities Performance Solution). These cover the period July to September 2014, and are attached as Appendix 1.

This shows that the City continues to perform well in comparison with London Boroughs, with 74% of the indicators for which the City reports data being in the top quartile of London performance. Where the City's performance is in the bottom quartile, or where performance has deteriorated, this is followed-up with departments, and this report comments in more detail on those indicators.

## Recommendation(s)

Members are asked to note the report.

## Main Report

### Background

1. Members will recall from previous meetings that London Councils maintains a dashboard of thirty-six service Performance Indicators which are reported quarterly. This dashboard, known as LAPS (London Authorities Performance Solution) is reviewed by the Chief Officers Summit Group before being reported to the Sub Committee.
2. The latest dashboard covers the period from 1<sup>st</sup> July to 30<sup>th</sup> September 2014, and is attached as Appendix 1.
3. On the dashboard, the City's performance is shown in the column headed 'value', and by the black diamond (◆) in the column headed 'better performance →'. The 'group average' is calculated from those boroughs that submitted data. The number of boroughs submitting data for each indicator is shown in the 'group average' column.

### Current Position

4. The table below summarises the City's performance for Q1 (April-June) and Q2 (July-September) of 2014/15, showing the number of performance indicators (PIs) in each quartile:

	Top quartile	2 <sup>nd</sup> quartile	3 <sup>rd</sup> quartile	Bottom quartile	n/a *	Total
<b>Q1: Number of PIs</b>	14	2	2	1	17	36
<b>Q2: Number of PIs</b>	17	3	2	1	13	36
<b>Change in numbers Q1 to Q2</b>	+3	+1	-	-	-4	-

\* The n/a indicators generally relate to Community and Children's Services indicators where the raw data value is <10.

\* The indicators for Council Tax and non-domestic rates collection are n/a because the City chooses to submit data only at year end.

### **Movement between quartiles**

5. Four indicators have moved from n/a to the top quartile as a result of the national data sets becoming available for the second quarter:
  - DB11: Percentage of pupils achieving level 4 or above in Reading, Writing and Maths at Key Stage 2
  - DB23: Percentage of working age people on out of work benefits
  - DB24: Number of households living in temporary accommodation \*
  - DB25: Number of homeless applications accepted as being in priority need \*

\* These indicators are reported as numbers, so the City will generally appear at the extreme end of better performance.

6. One indicator has moved from top quartile to second quartile - DB28: Land assessed as having unacceptable levels of litter. This indicator, along with DB29, DB30, and DB31, is derived from a voluntary independent inspection. The department has commented that the latest inspection was conducted during half term when there was a significant increase in footfall in the City. However, scores for the other three indicators covered by this inspection remain low, which indicate that the overall standard of cleansing was still good.

### **Bottom quartile indicator**

7. One indicator remains in the bottom quartile – DB36: Percentage of 'other' planning applications determined within 8 weeks. This is despite the City's performance improving from 70.3% to 71%. More recent information from the department reports performance running at 78%.
8. A detailed review of planning performance was reported by the Director to the Summit Group in October 2014. This covered both 'other' and 'minor' applications (reported on LAPS as DB35), and compared the City's performance to London Boroughs. The report noted that the City's way of working is appreciated by users who regularly comment that the City is the best planning authority to deal with in London, and does not give rise to complaints
9. The report made the following key points in relation to the City's performance:
  - i. Negotiations with applicants The City Corporation has always negotiated with applicants to deliver a planning approval and this takes longer than issuing a refusal when applications are unacceptable. The City has the

- highest approval rates and consequently fewer appeals than all London Boroughs which leads to a high level of customer satisfaction. This approach is considered more important than strict adherence to time limits.
- ii. Delays in determination due to both internal and external consultations  
The City takes account of consultees' submissions. This can be internal teams such as the cleansing division or externally with groups such as English Heritage or Thames Water. It is common practise in London Boroughs to give strict deadlines to consultees and proceed with the decision regardless of whether the consultees have responded. However the City uses best endeavours to obtain their views as decisions impact on consultees and the City seeks to negotiate to ensure a result which is acceptable to all parties
  - iii. The City's performance is skewed by low volumes In 2013/14, the City processed 343 'other' planning applications. The volume of 'other' applications in London Boroughs ranged from 425 (Barking and Dagenham) to 4,607 (Westminster City Council). In the same year, the City processed 1779 'minor' planning applications. The volume of 'minor' applications in London Boroughs ranged from 119 (Barking and Dagenham – the only borough with fewer 'minor' applications than the City) to 2,873 (Westminster City Council)
  - iv. Delays due to process Where the City does refuse planning permission, the decision needs to be taken by the Planning and Transportation Committee. Although they are few in number, such applications will always go beyond eight weeks because of publicity and committee agenda timescales. Listed Building Consent applications in the 'other' applications category are sometimes linked to 'major' applications and are not determined until the related 'major' application is determined. These normally take longer than eight weeks (formally 13 weeks or 16 weeks for an Environmental Impact Assessment case) and there is a consequent delay with the Listed Building Consent decision.

## Conclusion

10. The City continues to perform well against the London Dashboard, with minor fluctuations from quarter to quarter. Those indicators where the City's performance is in the bottom quartile, or where performance has deteriorated are followed-up with departments, and the results reported to the Performance and Strategy Summit Group of Chief Officers.

## Appendices

- Appendix 1 – LAPS Dashboard for Q2 of 2014/15

## Neil Davies

Head of Corporate Performance and Development

T: 020 7332 3327

E: [neil.davies@cityof.ondon.gov.uk](mailto:neil.davies@cityof.ondon.gov.uk)

This page is intentionally left blank

Risk and vulnerability	Value	Better performance →	Group Average
DB 01: Violence against the person crime rate per 1,000 population (LIS 15)	0.96 (a)		11.37
Year to Date Apr 14 to Sep 14			33 returns
DB 02: Robbery, dwelling burglary, and theft off from a motor vehicle crime rate per 1,000 population (LIS 16)	0.42		8.08
Year to Date Apr 14 to Sep 14			33 returns
DB 03: Total notifiable crime rate per 1,000 population (LIS 3)	8.5 (a)		41.10
Year to Date Apr 14 to Sep 14			33 returns
DB 04: % Child Protection Plans lasting 2+ years at 31 March and for child protection plans which have ended during the year (N 17)	0.0		4.5
Year to Date Apr 14 to Sep 14			22 returns
DB 05: % Children subject of Child Protection Plan for a 2nd time or more, within 2 yrs of previous plans end date (N 18)	0.0		10.0
Year to Date Apr 14 to Sep 14			23 returns
DB 06: Vacancy Rate of Children's social workers (FTE) for year ending 30 Sept (N 23)	0.0		19
Annual Snapshot 30 Sept 2013			33 returns
DB 07: % Children's Social workers who are agency workers (FTE) for year ending 30 Sept (N 26)	0 (a)		20
Annual Snapshot 30 Sept 2013			33 returns
DB 08: % of adults with a learning disability who live in their own home or with their family (ASCOF 1G)	n/a		62.8
Year to Date Apr 14 to Sep 14			20 returns
DB 09: Housing Benefit number of days to process new claims (LIS 181a)	21.0		23.6
Year to Date Apr 14 to Jun 14			33 returns
DB 10: Housing Benefit number of days to process change of circumstances (LIS 181b)	10.0 (a)		9.0
Year to Date Apr 14 to Jun 14			33 returns

**key**

- ◆ borough performance
- average performance
- national comparator
- lower performing 25%
- middle performing 50%
- higher performing 25%

relative performance is:

- quite below average
- quite above average
- significantly below average
- significantly above average

**Guidance notes**

a. The diamond represents performance for your chosen borough. To the right of the black bar represents better than average performance, to the left represents lower than average performance.

b. Lower than average performance does not necessarily imply poor performance, and vice versa.

c. \*\* denotes there are fewer than 16 returns for that indicator.

d. Please note that the national comparator measure is the latest available, it does not necessarily relate to the same time period as borough data.

e. (a) denotes that for data presourced by London Councils, the borough submitted their own data instead.

f. Blue font indicates a presourced data item from an existing data publication.

Improving life chances	Value	Better performance →	Group Average
DB 11: Percentage of pupils achieving level 4 or above in both Reading, Writing and Maths at Key Stage 2 (LIS 73)	93		82
Annual 2013-14			33 returns
DB 12: % children in need (CIN) achieving at least level 4 at KS2 in both Eng & math (N 1a)	n/a		46.3
As at March 2013			31 returns
DB 13: % children in need (CIN) who achieve 5+ A* -C grades at GCSE including Eng & math (N 1b)	n/a		21.4
As at March 2013			24 returns
DB 14: % of school-aged children in need permanently excluded from school (N 3a)**	0.00		0.35
As at April 2012			11 returns
DB 15: Percentage of persons aged 16-18 who are not in education, employment or training (NEET) (NI 117)	n/a (a)		3.8
Nov 2013-Jan 2014 average			32 returns
DB 16: % of clients using social care who receive self-directed support (ASCOF 1C(1a))	n/a		81.9
Year to Date Apr 14 to Sep 14			23 returns
DB 17: % of clients using social care who are receiving direct payments (ASCOF 1C(2a))	n/a		27.2
Year to Date Apr 14 to Sep 14			23 returns
DB 18: rate 18-64 yr old permanent admissions to residential and nursing care homes, per 100,000 population (ASCOF 2A(1))	n/a		4.7
Year to Date Apr 14 to Sep 14			20 returns
DB 19: rate aged 65+ permanent admissions to residential and nursing care homes, per 100,000 population (ASCOF 2A(2))	n/a		211.9
Year to Date Apr 14 to Sep 14			23 returns
DB 20: Number of people receiving a council funded service (RAP 1)	n/a		4297
Year to Date Apr 14 to Sep 14			17 returns
DB 21: Number of Carers receiving respite or carer specific services as an outcome of assessment or review (RAP 2)**	n/a		545
Year to Date Apr 14 to Sep 14			15 returns
DB 22: % of relevant care leavers aged 19-21, now in education, employment or training (LIS 148)**	n/a		60.8
Year to Date Apr 14 to Sep 14			13 returns
DB 23: Percentage of working age people on out of work benefits (NI 152)	4.5		9.6
Snapshot - May 14			33 returns
DB 24: Number of households living in temporary accommodation (NI 156)	11		1388
Snapshot - Sep 14			33 returns
DB 25: Number of homeless applications accepted as being in priority need (LIS 18)	18		505
Rolling year Oct 13 to Sep 14			33 returns

Quality of the environment	Value	Better performance →	Group Average
DB 26: Number of kilograms per household of residual household waste collected (NI 191)**	186		270
Year to Date Apr 14 to Sep 14			15 returns
DB 27: Percentage of household waste sent for reuse, recycling and composting (NI 192)	37.3		35.85
Year to Date Apr 14 to Sep 14			18 returns
DB 28: Percentage of land assessed as having unacceptable levels of litter (NI 195a)	4.83		6.22
Most recent survey			20 returns
DB 29: Percentage of land assessed as having unacceptable levels of detritus (NI 195b)	0.00		5.78
Most recent survey			18 returns
DB 30: Percentage of land assessed as having unacceptable levels of graffiti (NI 195c)	0.17		2.28
Most recent survey			18 returns
DB 31: Percentage of land assessed as having unacceptable levels of fly-posting (NI 195d)	0.17		1.11
Most recent survey			17 returns

Interest to the public	Value	Better performance →	Group Average
DB 32: Percentage of Council Tax collected (BVPI 9)	n/a		55.6
Year to Date Apr 14 to Sep 14			25 returns
DB 33: Percentage of non domestic rates collected (BVPI 10)	n/a		56.7
Year to Date Apr 14 to Sep 14			25 returns
DB 34: Number of working days per FTE lost due to sickness absence (excluding school staff) (BVPI 12)	5.9		7.1
Rolling year Oct 13 to Sep 14			21 returns
DB 35: Percentage of minor planning applications determined within 8 weeks (NI 157b)	69		72.0
Year to Date Apr 14 to Sep 14			26 returns
DB 36: Percentage of 'other' planning applications determined within 8 weeks (NI 157c)	71		84.3
Year to Date Apr 14 to Sep 14			26 returns



This page is intentionally left blank



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank