



## Efficiency and Performance Sub (Finance) Committee

**Date:** FRIDAY, 17 JULY 2015  
**Time:** 11.30 am  
**Venue:** COMMITTEE ROOMS - WEST WING, GUILDHALL

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

**Enquiries:** Philippa Sewell  
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Lunch will be served in the Guildhall Club at 1pm  
**NB: Part of this meeting could be the subject of audio or 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 26 May 2015 .  

**For Decision**  
(Pages 1 - 6)
4. **OUTSTANDING ACTIONS**  
Report of the Town Clerk.  

**For Information**  
(Pages 7 - 16)
5. **WORK PLAN FOR FUTURE MEETINGS**  
Report of the Town Clerk.  

**For Information**  
(Pages 17 - 18)
6. **SERVICE BASED REVIEW ROADMAP**  
Report of the Deputy Town Clerk.  

**For Information**  
(Pages 19 - 84)
7. **PROCUREMENT SAVINGS 2015-2016 PROGRESS REPORT QUARTER 1**  
Report of the Chamberlain.  
*Please note this report has a non-public appendix at Agenda item 13.*  

**For Information**  
(Pages 85 - 88)
8. **ONE SAFE CITY GOVERNANCE**  
Report of the Deputy Town Clerk (TO FOLLOW).  

**For Information**
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.

## Part 2 - Non-Public Agenda

12. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**  
To agree the non-public minutes of the meeting held on 26 May 2015.  
**For Decision**  
(Pages 89 - 90)
13. **PROCUREMENT SAVINGS 2015-2016**  
A non-public appendix in respect of agenda item 7.  
**For Information**  
(Pages 91 - 92)
14. **SERVICE BASED REVIEW: DEPARTMENTAL MONITORING - CULTURE HERITAGE AND LIBRARIES**  
Report of the Director of Culture, Heritage and Libraries. (TO FOLLOW)  
**For Information**
15. **CITIGEN COMBINED HEAT AND POWER SYSTEM - NEGOTIATION STRATEGY FOR EXTENSION OF CONTRACTS**  
Report of the City Surveyor.  
**For Decision**  
(Pages 93 - 98)
16. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
17. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

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## EFFICIENCY AND PERFORMANCE SUB (FINANCE) COMMITTEE

Tuesday, 26 May 2015

**Minutes of the meeting of the Efficiency and Performance Sub (Finance) Committee held at the Guildhall EC2 at 1.45 pm**

### **Present**

#### **Members:**

Roger Chadwick (Chairman)	Deputy Anthony Eskenzi
Jeremy Mayhew (Deputy Chairman)	Deputy Jamie Ingham Clark
Randall Anderson	Ian Seaton
Nicholas Bensted-Smith	Deputy John Tomlinson
Nigel Challis	Philip Woodhouse

#### **Officers:**

Susan Attard	Deputy Town Clerk
Neil Davies	Town Clerk's Department
Philippa Sewell	Town Clerk's Department
Peter Kane	Chamberlain
Caroline Al-Beyerty	Chamberlain's Department
Paul Nagle	Chamberlain's Department
Steve Telling	Chamberlain's Department
Peter Bennett	City Surveyor
Neal Hounsell	Community and Children's Services Department
David Pearson	Director of Culture, Heritage and Libraries
Carol Boswarthack	Culture, Heritage and Libraries Department

#### **1. APOLOGIES**

Apologies were received from John Fletcher.

#### **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 4 March 2015 be agreed as an accurate record.

#### **Matters Arising**

##### Service Based Review Roadmap

Members requested more detail concerning the Effectiveness of Hospitality and Independent Schools cross-cutting reviews, and officers undertook to circulate Opportunity Outlines to Sub Committee Members once they were finalised.

**RESOLVED** – That Opportunity Outlines be circulated to Sub Committee Members once approved.

4. **OUTSTANDING ACTIONS**

The Sub Committee received and discussed an updated scheduled of outstanding actions.

**RESOLVED** – That the report be noted.

5. **WORK PROGRAMME**

The Sub Committee received the updated programme of work for the year.

**RESOLVED** – That the report be noted.

6. **APPORTIONMENT OF COSTS - TOWN CLERK'S DEPARTMENT, CITY PROCUREMENT AND INFORMATION TECHNOLOGY**

The Sub Committee received a report of the Chamberlain regarding the bases for apportioning costs of the Town Clerk's Department, City Procurement and the IT Division. The Chamberlain advised that recharges for the Barbican and Markets was determined separately owing to service user charges.

Members noted that the apportionment of support service costs (or overheads) was designed to share costs across all the activities of the organisation on a reasonable basis, however, the limitations of such a technique were recognised. The City currently accounted for central support service costs in accordance with CIPFA's Service Reporting Code of Practice (SeRCOP). For local authorities SeRCOP had statutory force, but, with regard to the City's non-local authority funds, there was no requirement to follow SeRCOP. The Chamberlain advised that, although the main reason for non-inclusion for internal reporting purposes would be that central support costs were not within the control of front line services, this was not sufficient to justify the operation of two parallel accounting systems.

Members also noted that a further detailed benchmarking task, using soft market testing, was being carried out for other aspects of the Finance function. It was noted that, for a number of the City's financial services, the breadth and complexity of the organisation made benchmarking less straightforward than a simple comparison with local authorities, and these factors were being reflected in the approach and timescales for the task.

**RESOLVED** – That

- (a) The methodologies being used to apportion the costs of the Town Clerk's Department, City Procurement, and the Information Technology Division together with the redistributive impacts be noted;
- (b) It be agreed that the costs of central support services should continue to be apportioned to all funds and services in accordance with the local authority requirements set out in CIPFA's Service Reporting Code of Practice (SeRCOP); and
- (c) The soft market testing task being undertaken for aspects of the Finance function be reported at a future meeting, along with recommendations for

adding update reports and reviews of other departments to the Work Programme.

## 7. **SERVICE BASED REVIEW ROADMAP**

The Sub Committee received a report of the Deputy Town Clerk presenting the latest update of the Service Based Review Roadmap.

### Strategic Asset Management

The Deputy Town Clerk reported on the four projects that supported this overarching programme.

#### 1. Strategic Review of Operational Properties

Members noted that the Departmental Workshops were providing regular updates to Chief Officers and would submit final comments for review to the Review Group, chaired by the Town Clerk. In response to a Member's query, the Chamberlain advised that the review of Operational Resources had been successful in identifying surplus properties and areas of property, and gave a better understanding of which buildings were most in need of renovation.

#### 2. Facilities Management

Members noted that meetings with individual Chief Officers were being held to discuss issues with the current arrangements and how these could be improved in future.

#### 3. Project Management

Members noted that this review was being deferred until later in the programme. Members queried the level of in-house project management, and the Deputy Town Clerk advised that HR were investigating how in-house skills could be built upon to address this.

#### 4. Procuring and Managing Services

Members noted that this review was in an early stage, but was progressing well.

### Income Generation

Members noted that CIPFA's comparisons of income generation across London Boroughs for 2012-13 were being reviewed to identify areas that need further exploration, and work had been commissioned to determine the extent to which the City Corporation receives external public funding, particularly in comparison with similar organisations.

### Grants

Members noted that this review was rated 'Green' and reports would be coming to Service Committees in the coming months. This review included charities under the Finance Committee, but did not include disaster relief payments.

### Effectiveness of Hospitality

Members noted that this review was rated 'Green' and the Opportunity Outline had been agreed by the Chief Officer Summit Group. Members requested that the operation of invitation lists be considered as part of this review.

#### Independent Schools

Members noted that this review was rated 'Green' and the Opportunity Outline had been agreed by the Chief Officer Summit Group.

#### Remodelling Libraries

Members noted a presentation on this review would be considered later in the meeting.

#### Barbican Centre

Members noted that this review was rated 'Green', and requested that the Managing Director of the Barbican Centre be asked to present to the Sub Committee at a future meeting.

**RESOLVED** – That the Managing Director of the Barbican Centre be asked to present to the Sub Committee at a future meeting, and the report be noted.

### 8. **PERFORMANCE MONITORING: LONDON-WIDE PERFORMANCE INDICATORS**

The Sub Committee received a report of the Deputy Town Clerk presenting the dashboard of Service Performance Indicators monitored and reported quarterly by London Councils, known as LAPS (London Authorities Performance Solution), for the period October to December 2014. Members received additional information regarding sickness absence figures, as requested at the previous meeting. It was noted that figures broken down by department were reported to Service Committees and monitored centrally by the Establishment Committee. Members requested these be compared with figures from the private sector (if available), and that a follow-up report be provided at the next meeting regarding potential Value for Money indicators.

**RESOLVED** – That:

- (a) Sickness Absence figures be compared with those from the private sector (if available);
- (b) A follow-up report be provided at the next meeting regarding potential Value for Money indicators; and
- (c) The report be noted.

### 9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

### 10. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There was no other business.

### 11. **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.

<b>Item</b>	<b>Paragraph</b>
12-14	3
15-16	-

12. **REMODELLING LIBRARIES**

The Sub Committee received a presentation of the Director of Culture, Heritage and Libraries.

13. **SERVICE BASED REVIEW FINANCIAL MONITORING**

The Sub Committee considered a report of the Chamberlain.

14. **CITIGEN COMBINED HEAT AND POWER SYSTEM - EXTENSION OF CONTRACTS**

The Sub Committee considered a report of the City Surveyor.

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

There were no questions.

16. **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 closed at 3.42 pm**

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Chairman

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EFFICIENCY AND PERFORMANCE SUB-COMMITTEE - Outstanding Actions (as at 3/7/2015)

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
1	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>July – September 2015:</b> Three month trial of refreshed scheme, using online platform	<b>July 2015:</b> The revised staff suggestion scheme, using the software platform "Hunchbuzz" is launching for a three month pilot in July. The evaluation of the pilot will be carried out jointly with the City Police and reported to the Customer Services Steering Group and the Summit Group in the autumn.
2	July 2014	<b>Professional, Management and Consultancy Fees</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	Chamberlain	<b>July 2015:</b> Update to Efficiency and Performance Sub Committee	<b>July 2015:</b> The review by Internal Audit and City Procurement identified a number of issues and potential risks, along with opportunities for improvements in control and reductions in expenditure, which have now been referred to Corporate HR for consideration as part of their work on strategic workforce planning.

EFFICIENCY AND PERFORMANCE SUB-COMMITTEE - Outstanding Actions (as at 3/7/2015)

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
		and Consultancy Fees.			
3	4 March 2015	<b>City Procurement</b> Officers undertook to submit a follow-up report regarding the City Procurement Strategy, identifying areas of weakness and how they were being addressed, including timescales.	Chamberlain: Head of Procurement	<b>July 2015</b>	<b>July 2015:</b> The City Procurement Strategy was presented to Finance Committee in June.  An additional report is submitted to this meeting of the Efficiency and Performance Sub Committee  <b>DISCHARGED</b>
4	4 March 2015	<b>Collaboration with City Police</b> Officers undertook to provide a Roadmap for four key workstreams, against which progress could be monitored	Deputy Town Clerk	<b>July 2015</b>	<b>July 2015:</b> Report submitted to Efficiency and Performance Sub Committee  <b>DISCHARGED</b>

EFFICIENCY AND PERFORMANCE SUB-COMMITTEE - Outstanding Actions (as at 3/7/2015)

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
5	26 March 2015	<b>Service Based Review cross-cutting reviews</b> Members requested that Opportunity Outline forms for these reviews be circulated to the Sub Committee once approved.	Deputy Town Clerk	<b>July 2015</b>	<b>July 2015:</b> All Opportunity Outlines which have been approved to date for Service Based Review cross-cutting reviews are appended to the report on the Service Based Review Roadmap.  Future Opportunity Outlines will be presented to the Sub Committee following approval by the Chief Officer Summit Group.  <b>DISCHARGED</b>
6	26 March 2015	<b>Soft market testing of the finance function</b> Members requested that the soft market testing for aspects of the finance function be reported at a future meeting, along with recommendations for adding update reports and reviews	Chamberlain	<b>September 2015</b> (report to Efficiency and Performance Sub Committee)	<b>July 2015:</b> The soft market testing / benchmarking exercise for the finance function was carried out in June to look at ways of driving out inefficiencies and identifying areas for internal improvement or potential outsourcing. Meetings have been scheduled in

EFFICIENCY AND PERFORMANCE SUB-COMMITTEE - Outstanding Actions (as at 3/7/2015)

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
		of other departments to the Work Programme.			July with the respondents to discuss the submissions and gather more information. In addition to this, the Financial Services Director has also engaged with other Local Authorities to understand how their finance divisions are structured.
7	26 March 2015	<b>Service Based Review – departmental presentations</b> Members requested that the managing Director of the Barbican Centre be asked to present at the July meeting.	Managing Director, Barbican Centre	<b>September 2015</b>	<b>July 2015:</b> The Managing Director was unable to attend the July meeting, so has been scheduled to attend in September.
8	26 March 2015	<b>Sickness Absence</b> When considering the City Corporation’s sickness absence data, Members asked whether private sector comparison figures were available.	HR Director	<b>July 2015</b>	<b>July 2015:</b> See note below for update

EFFICIENCY AND PERFORMANCE SUB-COMMITTEE - Outstanding Actions (as at 3/7/2015)

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
9	26 March 2015	<b>Value for Money indicators</b> When considering the City Corporation's service performance data, Members asked officers to research whether any value for money indicators were available.	Deputy Town Clerk/Financial Services Director	<b>July 2015:</b> (Update to Efficiency and Performance Sub Committee)	<b>July 2015:</b> See note below for update
10	26 March 2015	<b>Department of Culture, Heritage and Libraries</b> Members asked for a report summarising progress against agreed targets on the remodelling Libraries Project and on departmental budget reductions.	Director of Culture, Heritage and Libraries	<b>July 2015</b>	<b>July 2015:</b> Report submitted to Efficiency and Performance Sub Committee  <b>DISCHARGED</b>

EFFICIENCY AND PERFORMANCE SUB-COMMITTEE - Outstanding Actions (as at 3/7/2015)

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
11	26 March 2015	<p><b>Extension of Citigen Contract (Combined Heat and Power)</b>                      Members requested that a detailed negotiation strategy regarding the renewal of the contract with Citigen be provided at the next meeting.</p>	City Surveyor	July 2015	<p><b>July 2015:</b>                      Report submitted to Efficiency and Performance Sub Committee</p> <p><b>DISCHARGED</b></p>



**EFFICIENCY AND PERFORMANCE SUB-COMMITTEE -  
Outstanding Actions (as at 3/7/2015)**

**Item 8: Sickness Absence Data**

Reference from Efficiency and Performance Sub Committee (26 May 2015): When considering the City Corporation's sickness absence data, Members asked whether private sector comparison figures were available.

The following data was published by CIPD (Chartered Institute of Personnel and Development) for 2014:

Table A: Average level of employee absence, by sector for all employees

	Average number of days lost per employee per year	Sample size
Manufacturing and production	6.2	73 respondents
Private sector services	5.5	115 respondents
Public sector services	7.9	88 respondents
Non-profit sector	7.4	66 respondents
All employees	6.6	342 respondents

Table B: Average level of employee absence in public services for all employees

	Average number of days lost per employee per year	Sample size
Central government	7.4	15 respondents
Education	6.1	16 respondents
Health	9.7	31 respondents
Local government	8.2	11 respondents
Other public services	7.4	15 respondents
All public services	7.9	88 respondents

Table C: Average level of absence by region

	Average number of days lost per employee per year	Sample size
London	6.1	30 respondents

Note: This figure is not broken down by sector

The City Corporation's comparative figure for 2014 was 5.57.

## EFFICIENCY AND PERFORMANCE SUB-COMMITTEE - Outstanding Actions (as at 3/7/2015)

### Item 9: Value for Money indicators

Reference from Efficiency and Performance Sub Committee (26 May 2015): When considering the City Corporation's service performance data, Members asked officers to research whether any value for money indicators were available

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#### Background

For many years, the key source of value for money data for local authorities has been the VFM Profile report produced by the Audit Commission. On the abolition of the Commission, maintenance of this on-line tool transferred to Public Sector Audit Appointments Limited. This report clearly demonstrates the difficulty of comparing the City Corporation's costs with local authorities, as has been accepted by the Audit Commission, our external auditors and other inspectorates.

There are a variety of factors that lie behind this difficulty, including:

- the unique range of services provided, arising from the City Corporation's support of the business city and the provision of services for London and the nation (i.e. our role beyond providing local authority services in the City);
- the different standard of services provided, in response to consultations and as a result of policy decisions;
- the small residential population, leading to a small user base for services such as Education and Social Services, with a resulting difficulty in achieving economies of scale, and
- the large daytime population, who are provided with services such as Libraries, which are generally evaluated by head of resident population.

The effects of these factors are shown in relatively high unit costs, but can also result in a high degree of volatility in the performance indicators (PIs) that seek to report costs.

In areas where comparisons can be made with local authorities, a limited amount of benchmarking has been carried out, although even here the results need to be treated with considerable caution. For example, there are a number of additional factors that combine to produce a relatively high level of overheads at the City Corporation, including:

- the historical legacy of the Guildhall and associated buildings as the head offices for the central departments,
- the decision to retain the City Corporation's main offices within the City (a high cost area),
- the need to provide corporate systems (e.g. financial, HR, property management and governance) that have to cope with the diversity and complexity of the City Corporation's three funds and service provision, and
- in some services, spreading overheads over a small user base.

## EFFICIENCY AND PERFORMANCE SUB-COMMITTEE - Outstanding Actions (as at 3/7/2015)

The City Corporation also has a different cost profile to all other authorities, as its costs are affected by a unique range of external factors, including:

- Demographics
- Central London location. In addition to the generally higher costs, the City, as an international financial centre, is a high profile terrorist target. This affects the delivery of many services with consequent cost implications. Examples include the need for more frequent refuse collection and street sweeping and the inability to place recycling bins in the City.
- The Business City. Many standard local authority services have a different profile within the Corporation because they serve a business rather than residential area. An example is the Planning service, where the predominance of the workload relates to high profile schemes, listed buildings and conservation area properties and there are very few householder applications.

There has historically been very limited availability of comparative information for the City Corporation's non-local authority services.

### **Current position**

Limited benchmarking is carried out, generally on an annual basis. This includes some corporate services (Legal, Financial, HR and Democratic Services reports from CIPFA's benchmarking service are reported annually to the Efficiency and Performance Sub Committee), and for some service functions, including housing and social care. These typically show the City Corporation to have high performing, but high cost services.

During the Chief Officer Challenge Meeting phase of Service Based Review, an external consultant was appointed to support the process. This enabled some more detailed benchmarking and comparative information to be collected from a range of external sources that had not previously been used. This included City's Cash services such as Open Spaces and the Independent Schools as well as local authority services such as Libraries.

### **Next Steps**

The next action will be a proposal to the Chief Officers Group, outlining the need to develop a more comprehensive set of value of money indicators and benchmarks, covering all parts of the City Corporation. The exact form of these will vary from department to department, but the existing benchmarks and the additional data collected for the Service Based Review Challenge Meetings provide a foundation on which this work can be based. Key elements in this will include internal trend data (e.g. unit cost and performance), any comparative data from similar organisations, and customer services data (e.g. user satisfaction). Support will be offered from the Town Clerk's and Chamberlain's Departments in the development of the indicators, and to ensure a degree of challenge within the process.

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## **Efficiency and Performance Sub Work Programme 2015/16**

*(Changes since the last meeting in italics)*

<b>Date</b>	<b>Items</b>
16 <sup>th</sup> September	<ul style="list-style-type: none"> <li>• Performance monitoring report, LAPS Q4</li> <li>• Service Based Review financial monitoring report: Q1</li> <li>• Service Based Review Roadmap (Programme Unit delivery report)</li> <li>• <i>Departmental report: Barbican Centre</i></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>• Service Based Review financial monitoring report: Q2</li> <li>• Service Based Review Roadmap (Programme Unit delivery report)</li> <li>• Energy performance report (half year)</li> </ul>
13 <sup>th</sup> January 2016	<ul style="list-style-type: none"> <li>• CIPFA VFM Indicators 2014/15</li> <li>• Performance monitoring report, LAPS Q2</li> <li>• Service Based Review Roadmap (Programme Unit delivery report)</li> </ul>
7 <sup>th</sup> March	<ul style="list-style-type: none"> <li>• Performance monitoring report</li> <li>• Service Based Review financial monitoring report: Q3</li> <li>• Service Based Review Roadmap (Programme Unit delivery report)</li> </ul>
18 <sup>th</sup> May	<ul style="list-style-type: none"> <li>• <i>Performance monitoring report</i></li> <li>• <i>Service Based Review financial monitoring report: Q4</i></li> <li>• <i>Service Based Review Roadmap (Programme Unit delivery report)</i></li> </ul>

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# Agenda Item 6

<b>Committee:</b>	<b>Dated:</b>
Efficiency and Performance Sub Committee – For Information	17 July 2015
<b>Subject:</b> Service Based Review Roadmap	<b>Public</b>
<b>Report of:</b> Deputy Town Clerk	<b>For Information</b>

## Summary

Under its terms of reference, the Efficiency and Performance Sub Committee is responsible for overseeing and monitoring the agreed programme of work arising from the Service Based Review.

This report presents the Sub Committee with the latest update in respect of the agreed Service Based Review projects and cross-cutting reviews in the format of the Service Based Review Roadmap (Appendix 1). Changes since the last meeting are reported against each of the projects in the main body of the report.

Of the 11 projects currently being tracked by this Roadmap, ten are rated as 'green', none as 'amber' or 'red', and one as 'n/a'. Since the last meeting, two projects (Highways Maintenance and Public Conveniences) have been removed from the roadmap as they will be tracked via the appropriate departmental roadmap. One review has changed rating, as follows:

<b>Project</b>	<b>from ...</b>	<b>to ...</b>
Income Generation	Amber	Green

This review has changed status as the Opportunity Outline has been agreed by the Service Based Review Steering Group and the Chief Officer Summit Group, and work on the review has commenced.

At the last meeting, Members also asked to see the approved Opportunity Outlines for these reviews. These are attached as Appendices 3 to 12.

## Recommendation

Members are asked to note the report.

## **Main Report**

### **Background**

1. Members agreed to receive an update report at every meeting showing progress on the delivery of Service Based Review projects and programmes, including any actions to address problems identified.
2. Progress is reported on a “Roadmap”, attached as Appendix 1. This is in a common format, developed by the Corporate Programme Delivery Unit, who also work with Chief Officers to ensure that projects and programmes are delivered.
3. At officer level, progress is reported monthly to the Service Based Review Steering Group, chaired by the Chamberlain, and the Chief Officer Summit Group, chaired by the Town Clerk.
4. From the last meeting of the Sub Committee, a separate quarterly Service Based Review financial monitoring report is being presented, highlighting any significant variations from the approved budget reductions, along with summary information on the progress made by every Chief Officer. The next Service Based Review financial monitoring report will be presented to the Sub Committee in September.

### **Service Based Review Roadmap**

5. The Service Based Review Roadmap at Appendix 1 to this report lists all of the cross-cutting reviews agreed by the Policy and Resources Committee in September 2014, together with other work arising from the Service Based Review Challenge Meetings, or requested by the Policy and Resources Committee. It records the key activities for each of the projects. Appendix 2 contains an outline of each of the reviews reported on the Roadmap.
6. Opportunity Outlines are required for each review, to include key details of the project such as: the case for change; outcomes to be achieved; recommended approach to delivery; resources and support required; how benefits will be measured, and the risks of proceeding or not proceeding. Opportunity Outlines for the cross-cutting reviews are presented to the Service Based Review Steering Group and Chief Officer Summit Group for approval. Following a request from Members at the last meeting, Appendices 3 – 10 contain the Opportunity Outlines approved to date.
7. The process of producing the Opportunity Outlines is an important first step in the negotiation and agreement of key milestones, support and resources required for each of the reviews. These can then be monitored by the Steering Group as the review progresses, alongside the monthly update reports. Members will note that some of the indicative milestones contained within the Opportunity Outlines do not match with the updated information shown on the Roadmap, as dates will inevitably alter as activities are sequenced and reviews progress.
8. Within the Roadmap, completed actions are shaded green. The definitions for status and direction of travel are as follows:





Project is in a critical state, guaranteed to go, or has gone, beyond agreed tolerances



Project is slipping, has slipped, or is about to slip within agreed tolerances



Project is on track



Milestone



Project is in a controlled state



Positive direction of travel (e.g. from Amber to Green)



Negative direction of travel (e.g. from Amber to Red)



Project Closed (in RAG column)

## Detailed Commentary – Changes since the last report

### Cross-cutting Reviews

9. Strategic Asset Management. This is the overarching proposal for the following three reviews to ensure that the strategic aims are aligned across all the asset-related opportunity outlines. The first meeting of the Strategic Asset Management Board will take place in September, with the aim of ensuring that there is integration across the three reviews below.

10. Strategic Review of Operational Properties. As discussed at the Resource Allocation Sub Committee's informal meeting in June, the first phase of departmental workshops has been completed. They have reviewed at a strategic level the operational properties owned and operated by departments and identified potential opportunities in the short, medium and longer term to enable rationalisation and/or more effective utilisation of existing property assets. The following key themes have emerged:

- Housing – commercial units and in-fill opportunities
- Car parking- review of overall provision
- Rationalising Central London office accommodation (e.g. Guildhall, Lauderdale Place, Irish Chambers)
- Rationalising offices, workshops and storage facilities outside of the square mile (e.g. Open Spaces, Port Health)
- Rationalisation of similar facilities, e.g. ports
- Land (reviewing whether opportunities exist for alternative use or disposal)
- Staff residential accommodation (particularly in Open Spaces)

11. The next step for the review is to confirm potential opportunities with departments and undertake a detailed evaluation to prioritise the opportunities that are likely to deliver the greatest value for money benefit. An update on progress will be

provided to the Resource Allocation Sub-Committee in October, including a prioritised list of opportunities for progression into implementation projects. Following this, agreement will be sought from relevant Service Committees to initiate implementation projects.

12. Facilities Management. By the end of July, meetings will have been held with all individual Chief Officers and senior managers involved in facilities management (FM) activities to discuss issues with the current arrangements and how these could be overcome in future. A series of workshops will also be held by the end of July to help establish a clear set of principles for future FM contracts, with the aim of producing the most effective model of FM service provision in the future.
13. Project Management. This review has been marked as 'n/a' on the Roadmap as it has been deferred until later in the programme, to give more scope for other projects to be prioritised and actioned more effectively. As Members have noted previously, the work of the Corporate Programme Delivery Unit is supporting project management across the organisation through the application of a more formal process for change programmes.
14. Contract Management (Procuring and Managing Services). An initial workshop has been held to discuss issues with current contract management arrangements in the City. A further workshop is scheduled for 24 July to focus on skills gaps and suppliers. The expected outcomes of this review include: improved contract management across the organisation, leading to improvements in, or maintenance of, quality delivery at a lower cost; the identification of any skills gap and the development of training programmes to address them, and recommendations for the appropriate governance and a new contract management regime.
15. Income Generation. The Opportunity Outline for Income Generation was approved by the Chief Officer Summit Group in June, and is attached at Appendix 7. Benchmarking information on local authority services has been commissioned from CIPFA and is currently being analysed to determine what opportunities may exist for increasing fees and charges income. Work has also been commissioned to determine the extent to which the City receives external public funding, particularly in comparison with similar organisations. Reviews of commercial income generating/sponsorship initiatives and the extent to which the City might become more commercial are being scoped. A draft report will be prepared and recommendations will be tested during August and September, with reporting to Committees in the autumn.
16. Grants. The final review report has been approved by the Policy and Resources, Open Spaces, Finance and Establishment Committees, and the Resource Allocation Sub Committee. During July, the report is being presented to a number of other Service Committees whose roles and remits are impacted by the review proposals. Assuming implementation starts once all relevant Committees have agreed the recommended changes, it should be possible for the new arrangements to commence from 1 April 2016. A draft implementation and resourcing plan is currently being developed, in consultation with the Chief Grants Officer.

17. Effectiveness of Hospitality. Discussions with individual Chief Officers and some Members are taking place, and data has been gathered from all of the main providers of hospitality. The key benefits from this review will be: the identification of best practice in relation to prioritisation and assessment of proposed events and their delivery; increased use of common processes and procedures; and more efficiency use of staff resources through greater flexibility. The report framework will be considered by the Corporate Events Management Group in July, with the aim of discussing recommendations with the Hospitality Working Party in October.
18. Independent Schools. The Board of the City of London School has received three reports, covering activity in support of the Education Strategy, fees compared to competitor schools, and future plans for scholarship support, which recommended reducing the amount of support for non-means tested scholarships from 50% to 25% over time. The Board of the City of London School for Girls has also received a report on activity in support of the Education Strategy, which was viewed as a helpful gathering together of existing activity in one place. The equivalent report for the City of London Freeman's School will be submitted to the Board in October (their next meeting), with a composite report to the Education Board in October/November. The key benefits from this review will be increased clarity and visibility of: the Schools' activities and how these align to the Education Strategy; and the City's support funding.

### **Departmental Reviews**

19. Remodelling Libraries. Since the last meeting, funding has been agreed by the Resource Allocation Sub Committee towards to cost of feasibility and planning for the transformation of the Barbican and Shoe Lane Libraries. As requested by Members, a separate report has been also prepared on the Department of Culture, Heritage and Libraries Service Based Review proposals.
20. Barbican Centre. A further meeting of the Steering Group for this review is scheduled for 23 July to discuss progress on the departmental savings and income generation proposals agreed by the Barbican Centre Board, and the recommendations arising from the effectiveness review conducted by AEA. Business cases for investment to support increased income generation in retail, catering and business events are due to be presented to Members in July.

### **Conclusion**

21. Of the 11 projects currently being tracked by this Roadmap, ten are rated as 'green', none as 'amber' or 'red', and one as 'n/a'.

### **Appendices**

- Appendix 1 – Service Based Review Roadmap
- Appendix 2 – Outline of reviews
- Appendix 3 – Opportunity Outline: Strategic Asset Management

- Appendix 4 – Opportunity Outline: Strategic Review of Operational Properties
- Appendix 5 – Opportunity Outline: Facilities Management
- Appendix 6 – Opportunity Outline: Contract Management (Procuring and Managing Services)
- Appendix 7 – Opportunity Outline: Income Generation
- Appendix 8 – Opportunity Outline: Grants
- Appendix 9 – Opportunity Outline: Effectiveness of Hospitality
- Appendix 10 – Opportunity Outline: Independent Schools
- Appendix 11 – Opportunity Outline: Remodelling Barbican Library
- Appendix 12 – Opportunity Outline: Remodelling Shoe Lane Library

### **Background Papers**

- Oversight of Corporate Programmes – report to Efficiency and Performance Sub Committee, 10 September 2014
- Service Based Review – report to Policy and Resources Committee, 26 March 2015

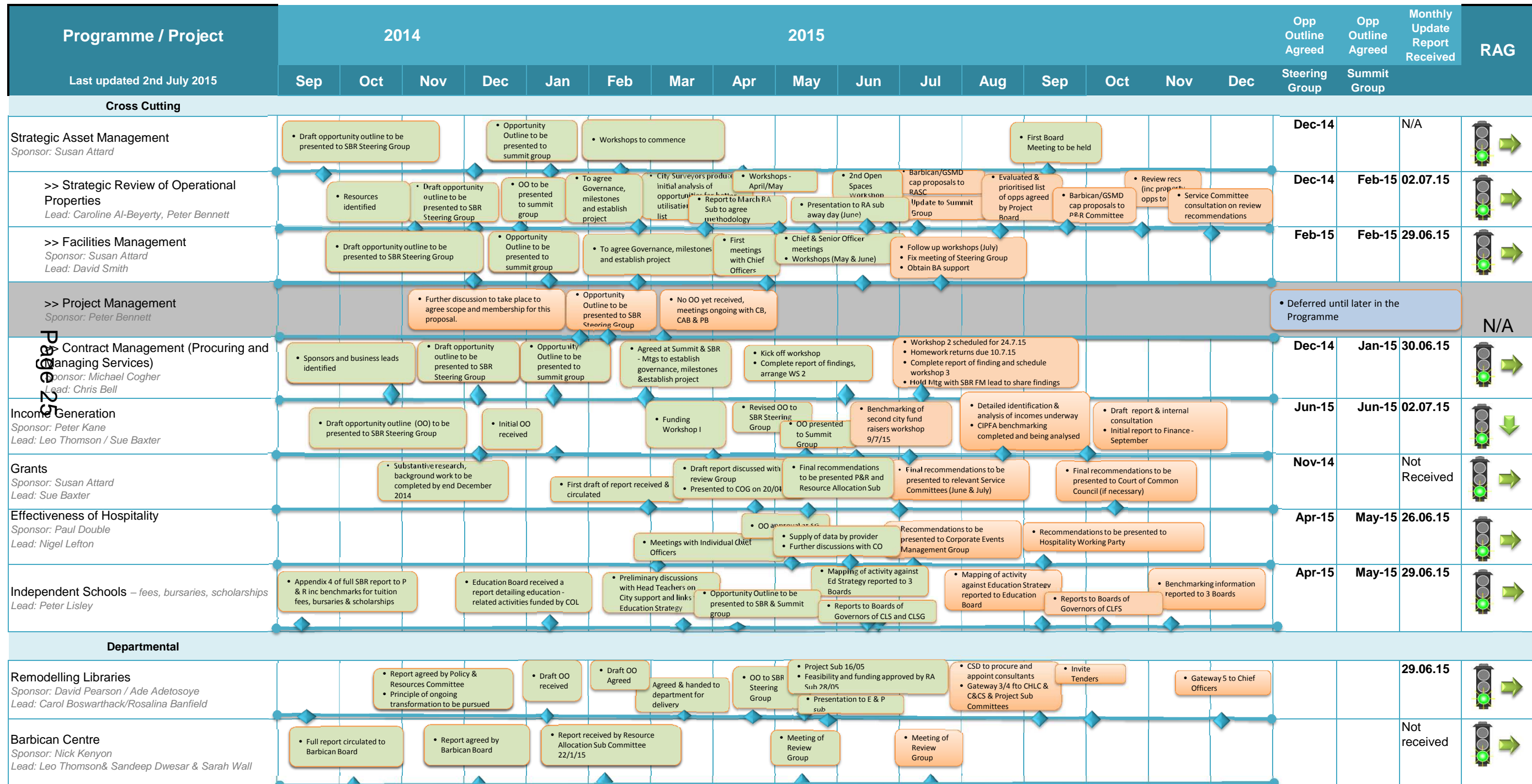
### **Neil Davies**

Head of Corporate Performance and Development

T: 020 7332 3327

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

# Service Based Reviews Roadmap



- Partnership Working
- Technology Led Project/Programme
- Project is in a critical state, guaranteed to go, or has gone beyond agreed tolerances (financial, benefits, timescales, quality)
- Project is slipping, has slipped or is about to slip within agreed tolerances
- Project is on track

- Milestone
- Project is in a controlled state
- Positive direction of travel
- Negative direction of travel
- Project Closed

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**Service Based Review:  
Outline of reviews included on Service Based Review Roadmap**

**Cross-cutting**

1. Strategic Asset Management. A number of opportunities to mitigate cost and risk across the City Corporation's asset base have been identified. Due to the diversity, scope and complexity of the different suggestions, an overarching proposal has been created to ensure that the strategic aims are aligned across all the asset-related opportunity outlines. Where appropriate joint working will be utilised to achieve better outcomes overall.

Beneath the overarching proposal sit four work streams:

- Strategic Review of Operational Properties;
- Contract Management (Procuring & Managing Services - all Contracts);
- Project Management (All Project / Programme Management), and
- Facilities Management

The key issue to be addressed is that current arrangements for providing these services are inconsistent across the organisation. There is a lack of shared organisational understanding or consistency in the levels of service and how these are identified, delivered and measured, resulting in duplication of effort in some areas and a number of pinch points. Through these reviews, the opportunity to consolidate and rationalise, in order to deliver consistent and appropriately defined services in a more efficient and cost effective manner will be thoroughly tested.

Note: In March 2015, it was agreed to defer the review of Project Management until later in the overall programme.

2. Income Generation. The majority of the departmental proposals agreed by the Policy and Resource Committee in September 2014 relate to reducing costs, although several income generating proposals were put forward as part of this exercise. However, it was felt by Members that these proposals were not ambitious enough and that further opportunities should be explored. This review aims to identify both departmental and cross-cutting opportunities, such as promoting the city as a place to visit, and consequently increase income.
3. Grants. This review will examine the potential to improve the many different City Fund and City's Cash grant giving functions across the City Corporation to achieve better transparency and accountability, improved value for money, greater traction and administrative efficiencies.
4. Effectiveness of Hospitality. This review will comprise a thorough examination of all aspects of the City Corporation's hospitality activities and how these link to the Corporation's Strategic Aims. Hospitality linked to events takes place in numerous ways and in different departments; and this review will examine how such hospitality can be coordinated so far as possible to maximise efficiency and effectiveness, and to achieve effective sharing of best practice.

5. Independent Schools. This review will examine issues regarding fees, scholarships and bursaries at the three independent schools and will be conducted in consultation with School Heads and the governing bodies.

### **Departmental**

6. Remodelling Libraries. At the December 2014 meeting of the Policy and Resources Committee, Members received a report outlining transformation opportunities for the City Corporation's Library services. They agreed that the principle of ongoing transformation of the services should be pursued and that further work should take place on planning and costing a range of options relating to the City's Lending Libraries.
7. Barbican Centre. As part of the Service Based Review process, Adrian Ellis Associates (AEA) Consulting was commissioned to provide a review of the Barbican Centre's current operations and to identify areas in which there might be scope for improvements in efficiency and effectiveness. They also scrutinised and assessed the Centre's Service Based Review proposals. An implementation plan has been developed to encompass both the Service Based Review proposals and the AEA recommendations. Progress against the plan will be monitored through the standard Corporate Programme Delivery Unit processes, and reported to a separate Steering Group which has been established, and includes the Chamberlain, the Managing Director and the Deputy Town Clerk.



# Opportunity Outline

*This document is to be used for all new ideas / initiatives as an initial assessment / scope*



**Title:** Strategic Asset Management

<b>Name of Business Sponsor</b>	Susan Attard	<b>Directorate</b>	TC
<b>Author of document</b>	Cheryl Bennett	<b>Date</b>	20/10/2014

<input type="checkbox"/> <b>Mandatory</b> <i>Compliance with Legislation, Policy and Audit</i>	<input checked="" type="checkbox"/> <b>Sustainability</b> <i>Essential for business continuity</i>	<input checked="" type="checkbox"/> <b>Improvement</b> <i>New idea / opportunity that improves or increases Service Levels</i>
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## Case for Change / Objective

*Explanation as to why the proposal has come about (e.g. Audit Requirement; new idea, Service Improvement; Business Plan).*

As part of the Service Based Reviews, a number of opportunities to mitigate cost and risk to the City Corporation across our asset base have been identified.

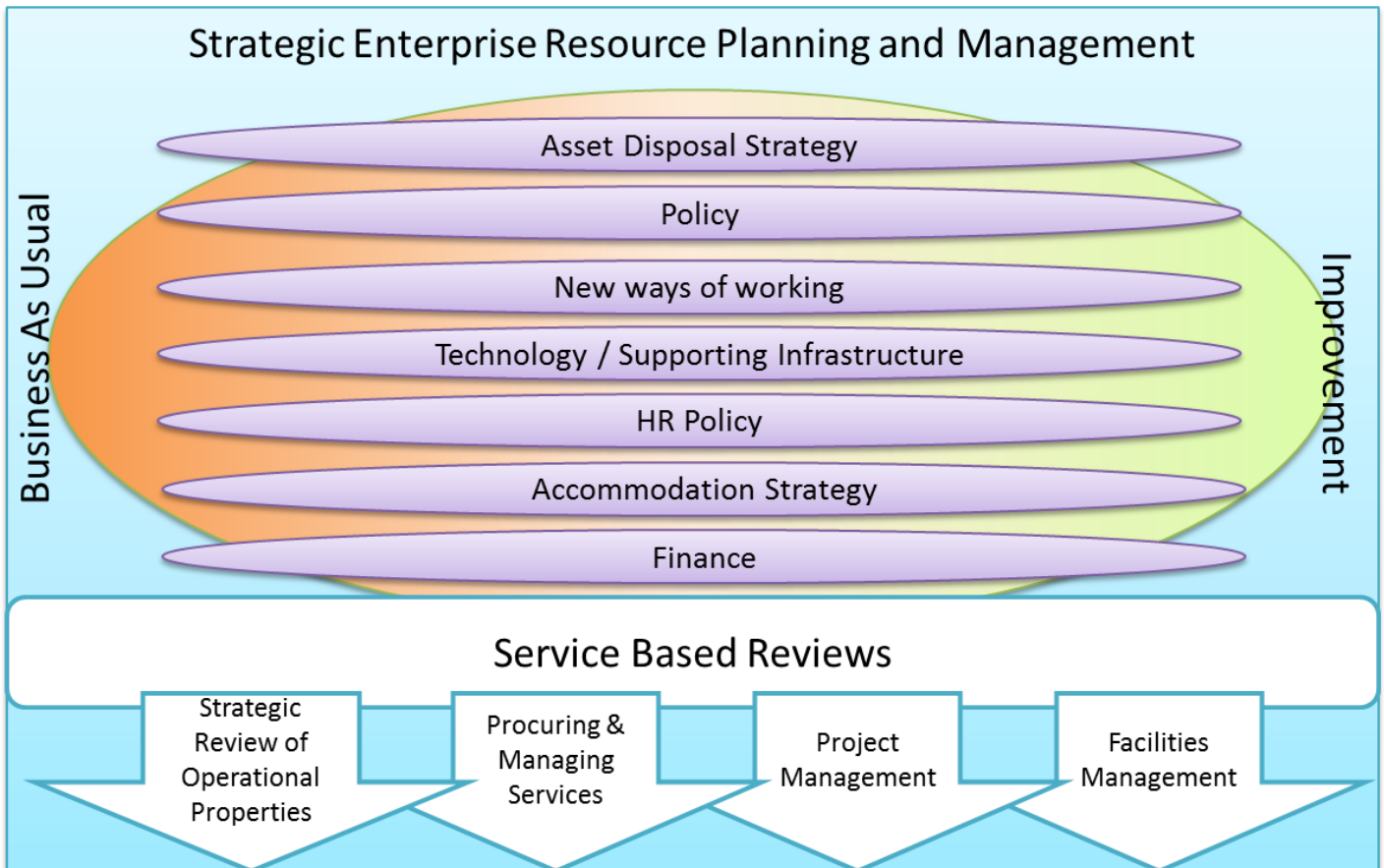
It is critically important that management of our Assets includes our people and property resources, and to understand that Contract Management, Facilities Management and Project Management are broader than 'Property Assets'.

The purpose of this outline is to take a more strategic approach to identifying the principles which should govern how we should proceed with each of the interdependent, but currently separate elements listed below – each of which has their own outline opportunity and savings associated.

The four proposals are :-

- Strategic Review of Operational Properties
- Contract Management (Procuring & Managing Services All Contracts)
- Facilities Management (could include some IS services or be joined) and
- Project Management (All Project / Programme Management)

Further, we would seek to embed the core strands of the Asset Management Strategy across the corporation and make a set of recommendations to maximise opportunities across the Property asset base and enhance the ongoing management of those assets.



### Opportunity Description

*What is the proposed solution you are putting forward, describe in 50 words (couple of sentences)*

We have fractured models currently in place for delivery of each of the strands identified above. These models have resulted in a lack of shared organisational understanding or consistency in how each of the elements are identified, applied and measured.

To exploit these opportunities, we propose to take a two strand approach to the Strategic and operational reviews of each element.

We will do this by facilitating a series of short 2hr workshops against the backdrop of the Asset Management Strategy, to work with the Chief Officers to :-

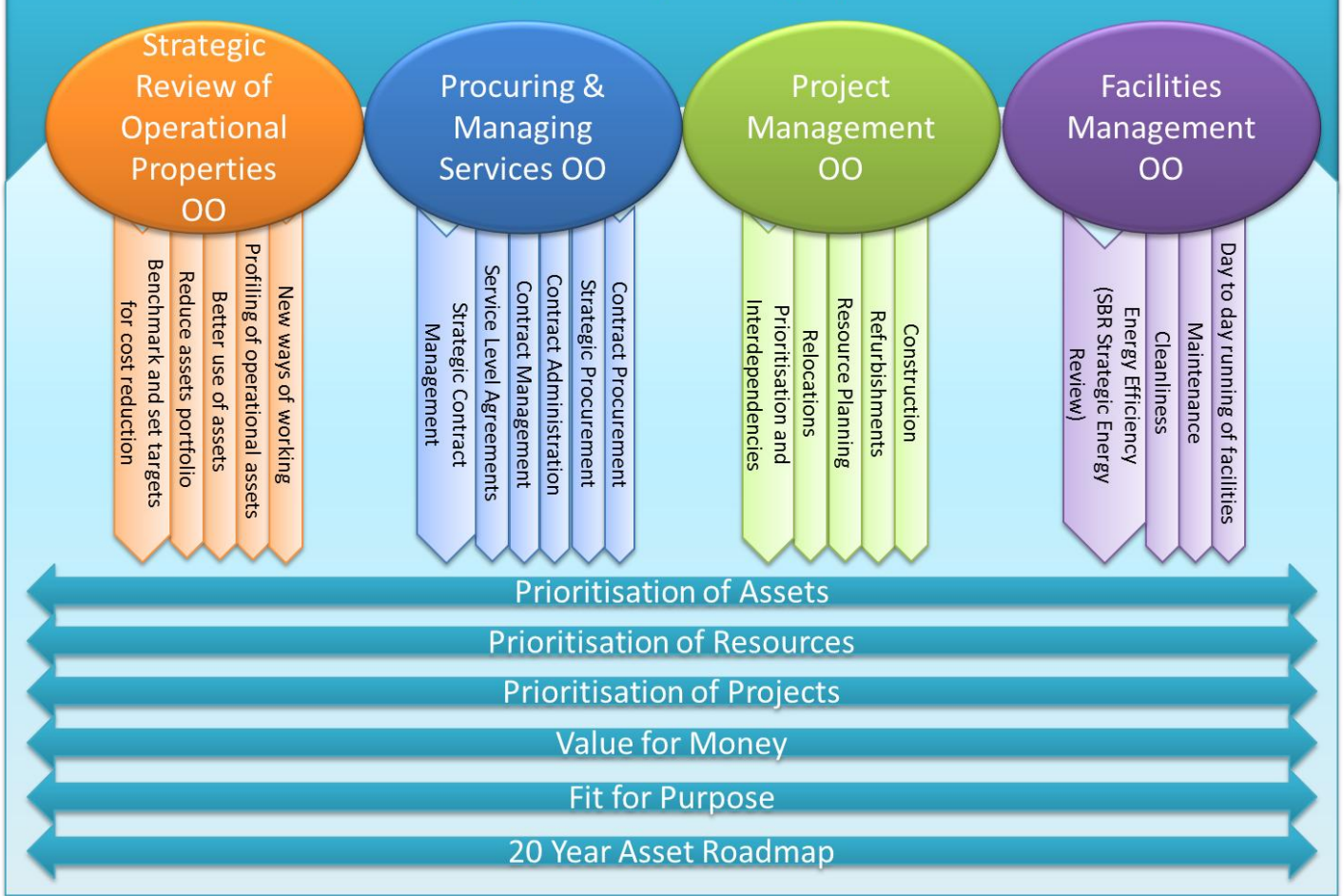
- identify different types of property related assets
- identify business specific needs as they relate to property assets
- identify current practice and process across each of our Departments including gaps
- identify pain points and what works well
- identify opportunities to drive value and consistency across each of the 4 elements

The outcome of the workshops would be a set of agreed principles and recommendations for the Corporation to consider.

Due to the nature of this outline proposal, there is almost certainly potential impact for the way in which each of the four proposals will be taken forward.

Additional benefits and potential structural changes could be an outcome of the final recommendations for consideration.

## Strategic Enterprise Resource Planning and Management Opportunity Outline (OO)



### Expected Outcomes

*What is the scope of what will be delivered*

- Corporately understood Asset Management Strategy
- Consistency of applied tools, techniques and practices (Contract Management, Project Management, Facilities Management, Operational Property Review)
- Understanding of specific needs and variances for each Department and type of property
- Hybrid model to support all of the above

### Impact Analysis

*What departments, teams and services are impacted and how*

<input type="checkbox"/> <b>In-Service</b> <i>Solely impacts the department</i>	<input type="checkbox"/> <b>Multiple Services</b> <i>Impacts more than one department</i>	<input type="checkbox"/> <b>Whole of Corporation</b> <i>Impacts all areas within City of London Corporation</i>
--	--	--

**Details**

### Outline Costs

*Rough costs, for equipment, software, staff time, contractors*

Description	Estimated Cost

### Potential Benefits

### Cashable and non-cashable benefits

Benefit Description	How you will measure the benefit
Refer to individual opportunity outlines for benefits and measures	

### Budget / Funding Source Identified

*Will this be funded departmentally, corporately via capital budget request or a combination of both*

Source of funds	Amount	Status
Departmental Budget	£	
Additional Funding Required (Capital budget) / Grant	£	
Total	£	N/A

### Resources / Delivery Team & Assurance

*Will this be funded departmentally, corporately via capital budget request or a combination of both*

Name	Role	Department

### Timescales

*Is there an inflexible timescale this is needed by? If yes then provide specific reasons. Or is it simply as soon as possible? What would the project milestones look like? E.g. Weeks 1-4, Preparation of project PID*

### Risks

*Type = Project, Service, Corporate, Regulatory*

*Likelihood = High, Medium, Low*

*Impact = High, Medium, Low*

*Mitigating Plan = Proposed options to address the risk*

Description of Risk	Type	Likelihood	Impact	Mitigation Plan

### Assumptions

*What assumptions have been made whilst constructing this Opportunity Outline?*

### Dependencies

*Is this opportunity dependent or linked to other projects or initiatives?*

### For Mandatory/Compliance proposals only

*Is this opportunity dependent or linked to other projects or initiatives?*

Compliance Type	References	Penalty for non-compliance
Statutory / Regulatory		
Audit Recommendation		
Council Policy		
Contractual obligation		

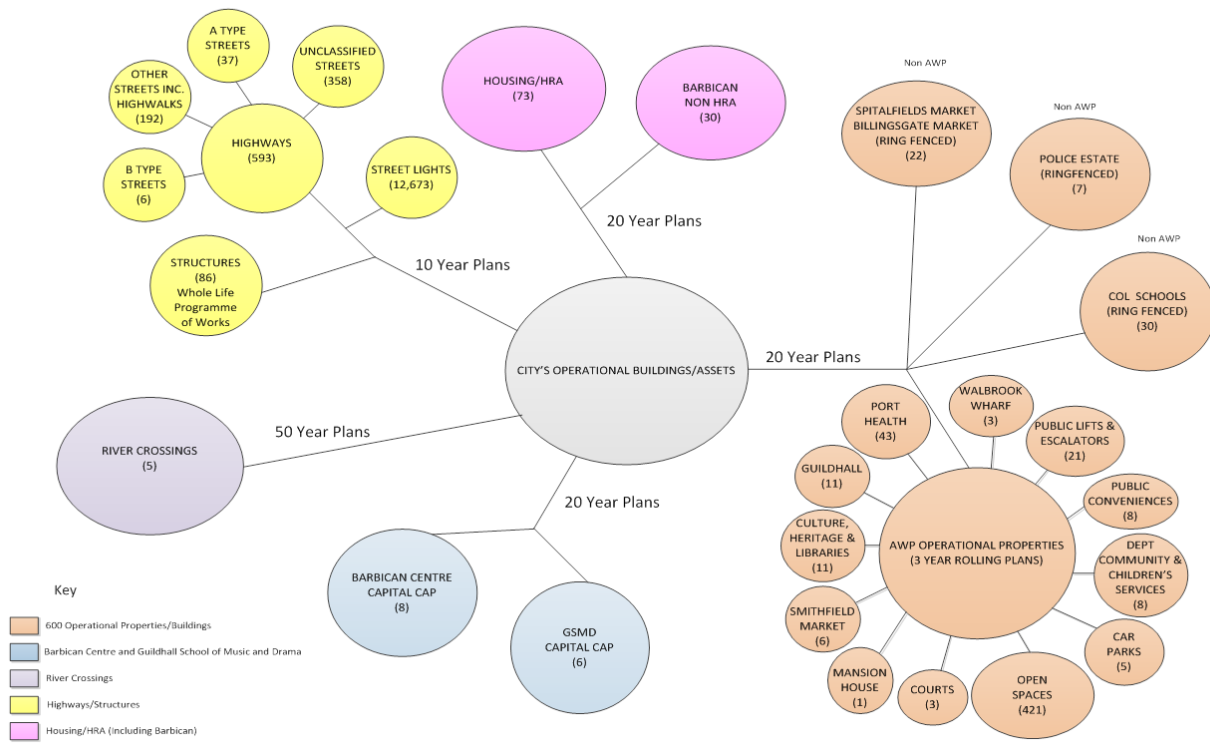
### Authorisation

*This must be completed by the Author and the Senior Responsible Officer and Head of Department*

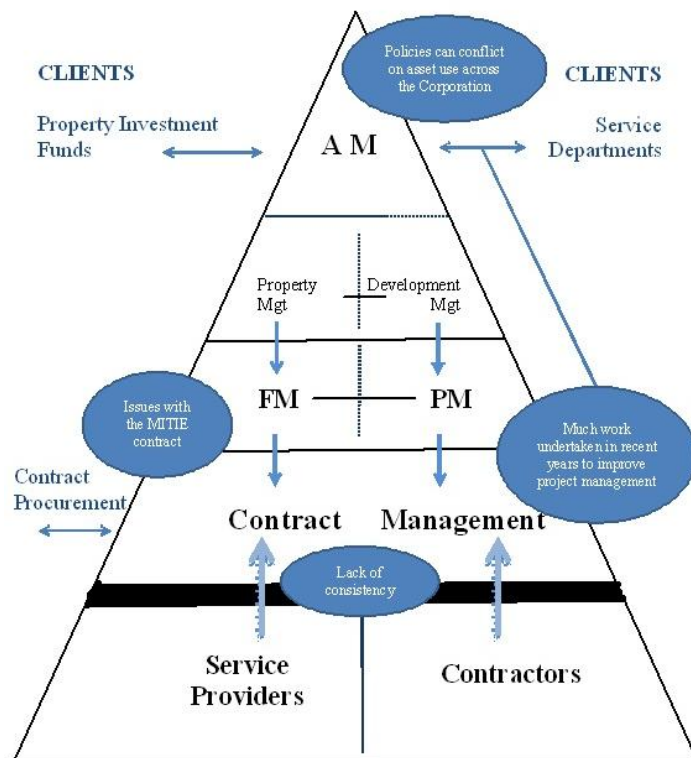
Name	Role	Date Approved
		SBR Steering Group 10/12/14

# Appendix A

## MAINTENANCE OF OPERATIONAL ASSETS/BUILDING – CURRENT PROGRAMMES



# Appendix B



(note: these are property related aspects only of these AM/FM/CM/PM functions)

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# Opportunity Outline

*This document is to be used for all new ideas / initiatives as an initial assessment / scope*



**Title:** Strategic Review of Operational Properties

<b>Name of Business Sponsor</b>	Peter Bennett Caroline Al-Beyerty	<b>Directorate</b>	City Surveyor Chamberlain's
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<b>Author of document</b>	Caroline Al-Beyerty	<b>Date</b>	17/12/2014
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<input type="checkbox"/> <b>Mandatory</b> <i>Compliance with Legislation, Policy and Audit</i>	<input checked="" type="checkbox"/> <b>Sustainability</b> <i>Essential for business continuity</i>	<input checked="" type="checkbox"/> <b>Improvement</b> <i>New idea / opportunity that improves or increases Service Levels</i>
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## Case for Change / Objective

*Explanation as to why the proposal has come about (e.g. Audit Requirement; new idea, Service Improvement; Business Plan).*

As part of the Service Based Reviews, a number of opportunities to mitigate cost and risk to the Corporation across our asset base have been identified.

Due to the diversity, scope and complexity of all the different suggestions, an overarching proposal “Strategic Asset Management” has been created to ensure that the strategic aims are aligned across all the assets related opportunity outlines. Where appropriate joint working will be utilised to achieve better outcomes overall.

Beneath the overarching “Strategic Asset Management” proposal sits four sub proposals which are:-

- Strategic Review of Operational Properties
- Procuring & Managing Services (All Contracts)
- Project Management (All Project / Programme Management) and
- Facilities Management (could include some IS services or be joined)

This outline focuses on the “Strategic Review of Operational Properties” work stream (See diagram below). We have a fractured model currently in place for delivery of each of the strands identified above. This model has resulted in a lack of shared organisational understanding or consistency in how each of the elements are identified, applied and measured.

Corporate Asset Sub Committee requested a review into how well our property assets are maintained. Until this point we had no central and overall picture of the management of the operational estate. The review established that there is a funding gap each year, ranging from £1m to £41.8m, compounding and creating a cumulative shortfall of £158.5m by 2034. Within this shortfall is a £40m peak which we keep pushing out year on year; effectively creating a ‘bow wave’ of postponed maintenance costs which we will, at some point, need to meet. This funding gap is also unstated as it included no major rebuild other than Police accommodation.

As part of the service based review, Chief Officers were asked to identify possibilities to reduce the property imprint and any surplus assets for disposal. Only a small number of reductions were proposed by departments, representing 5% of the saving proposals. The Resource Allocation Sub Committee considered this point and recommended a review of the operational estate in order to rationalise, and

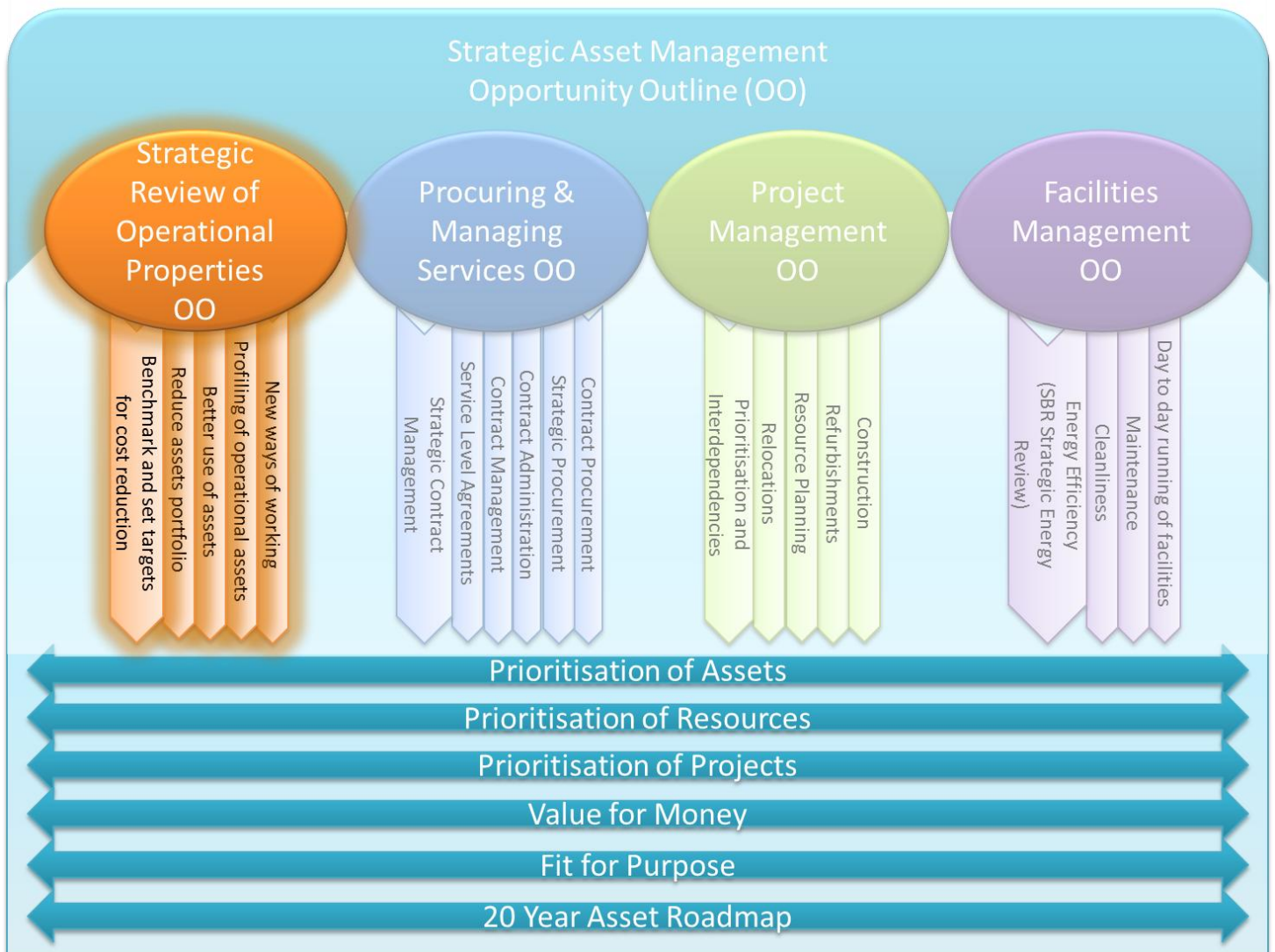
reduce the high and rising cost of repair and maintenance.

This review will:

- investigate current and future business property requirements
- investigate current use of assets
- identify opportunities to reduce the estate footprint with a target of 20%
- identify contributions towards strategic energy review
- identify measurable targets for cashable savings as per service based review proposals

We will approach this review to embed the core principles of the existing Asset Management Strategy across the Corporation and create a set of recommendations to:

- maximise opportunities across properties (i.e. Rationalisation and co-location where appropriate)
- enhance the ongoing management of those properties (procuring & managing services and facilities management)
- ensure assets are efficiently occupied, maintained and fit for purpose
- ensure assets represent value for money





## Opportunity Description

*What is the proposed solution you are putting forward, describe in 50 words (couple of sentences)*

To identify these opportunities, we propose to:

- carry out a desktop research and compare business/customer requirements against property resources available
- review assets (potentially on a geographic basis), identifying full running costs, utilisation rates, age & useful economic life, likely future improvement costs and relevant benchmarking data.
- hold a series of short 2 hour workshops with Chief Officers regarding property needs and departmental opportunities to understand:
  - why we hold each property e.g. statutory, business need, heritage, customer need
  - what property assets are required to meet business and customer needs
  - current utilisation and costs to maintain assets
  - pain points and what works well
  - where there is potential to join up across each of the 4 strands over the overarching strategy to deliver better value and consistency.
- review the adequacy and equity of allocation of resources to Barbican Centre and GSMD through the current capital caps system
- determine principles for agreeing incentives to encourage transformation

## Expected Outcomes

*What is the scope of what will be delivered*

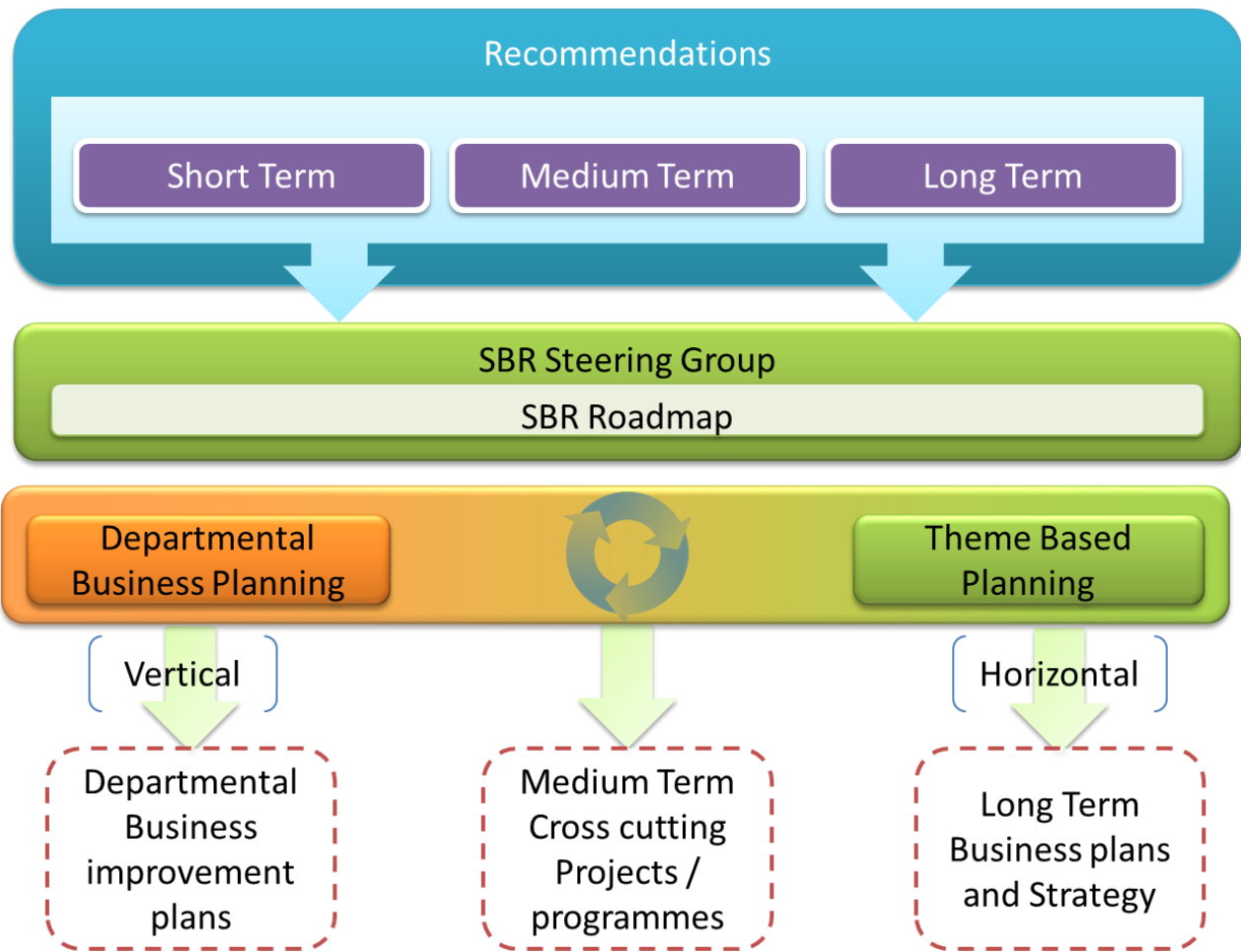
The outcomes will be:

- Asset requirements validated against departmental business plans
- Established baseline of:
  - business and customer needs as they translate to properties requirements
  - individual assets and their use i.e. Policy or Statute and whether they are a net cost or income generating asset
- Properties identified that are underutilised or surplus to requirements.
- Recommendations on improving the sustainability, affordability and “fit for purpose” of current property assets.
- An alternative mechanism to the current ‘capital cap’ for the Barbican Centre and Guildhall School

Recommendations will be categorised into:

- Short term – quick wins that can be delivered either departmentally or cross service where appropriate
- Medium Term – more complex implementations that will likely have a high impact and require careful management
- Long Term – Strategic objectives and longer term change that requires gradual development and progression, which will be reflected in business and theme based plans.

## Direction of Travel



### Impact Analysis

*What departments, teams and services are impacted and how*

<input type="checkbox"/> <b>In-Service</b> <i>Solely impacts the department</i>	<input type="checkbox"/> <b>Multiple Services</b> <i>Impacts more than one department</i>	<input checked="" type="checkbox"/> <b>Whole of Corporation</b> <i>Impacts all areas within City of London Corporation</i>
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### Details

Scope of the review: To include all operational properties, housing, land (including buffer land). All services utilise space/accommodation, even if only for office space for their staff.

Exclusions from the Review: It is proposed that Police are excluded from this review as their assets are already being scrutinised through the Police Accommodation Review. However, it is proposed that the Police Accommodation Project Board make an explicit determination on value for money of the final design and present this to the SROP Steering Group. It is also proposed that the Central Criminal Courts and Mansion House are excluded as these are Heritage assets.

To exclude Mansion House and the Central Criminal Courts as these are heritage assets.

### Outline Costs

*Rough costs, for equipment, software, staff time, contractors*

Description	Estimated Cost
Project Team	TBA

## Potential Benefits

*Cashable and non-cashable benefits*

Benefit Description	How you will measure the benefit
Reduced asset portfolio	Reduction in number of assets
Reduced maintenance overhead	Reduction in revenue cost attributed to maintenance contracts
Reduced running costs	Reduction in revenue cost attributed to utilities
Reduce the 'bow wave' of improvement works	Reduction in capital programme

## Budget / Funding Source Identified

*Will this be funded departmentally, corporately via capital budget request or a combination of both*

Source of funds	Amount	Status
Departmental Budget	£TBC	
Additional Funding Required (Capital budget) / Grant	£TBC	
<b>Total</b>	£	N/A

## Resources / Delivery Team & Assurance

*Will this be funded departmentally, corporately via capital budget request or a combination of both*

Name	Role	Department
TBC	Project Lead	TBC
TBC	Researcher	TBC
TBC	Workshop facilitator	TBC
Various	Chief Officers (Workshop participation)	See impact
Peter Young	Corporate Property Group Director	City Surveyors
Sarah Clarke		

## Timescales

*Is there an inflexible timescale this is needed by? If yes then provide specific reasons. Or is it simply as soon as possible? What would the project milestones look like? E.g. Weeks 1-4, Preparation of project PID*

Chief officer workshop in January  
 Data collation mid Jan-April  
 Workshops to be held March - May 2015  
 Recommendations regarding capital caps for Barbican and GSMD- June 2015  
 Recommendations Report - July 2015

## Risks

*Type = Project, Service, Corporate, Regulatory*

*Likelihood = High, Medium, Low*

*Impact = High, Medium, Low*

*Mitigating Plan = Proposed options to address the risk*

Description of Risk	Type	Likelihood	Impact	Mitigation Plan
Departmental resistance	Corporate	High	High	Joint approach- use the Chief officer workshop in January to explain the extent of the problem and canvas support.

## Assumptions

*What assumptions have been made whilst constructing this Opportunity Outline?*



## Dependencies

*Is this opportunity dependent or linked to other projects or initiatives?*

Strategic Asset Management

- Procuring & Managing Services (All Contracts)
- Project Management (All Project / Programme Management) and
- Facilities Management (could include some IS services or be joined)

Police Accommodation Review

## For Mandatory/Compliance proposals only

*Is this opportunity dependent or linked to other projects or initiatives?*

Compliance Type	References	Penalty for non-compliance
Statutory / Regulatory		
Audit Recommendation		
Council Policy		
Contractual obligation		

## Authorisation

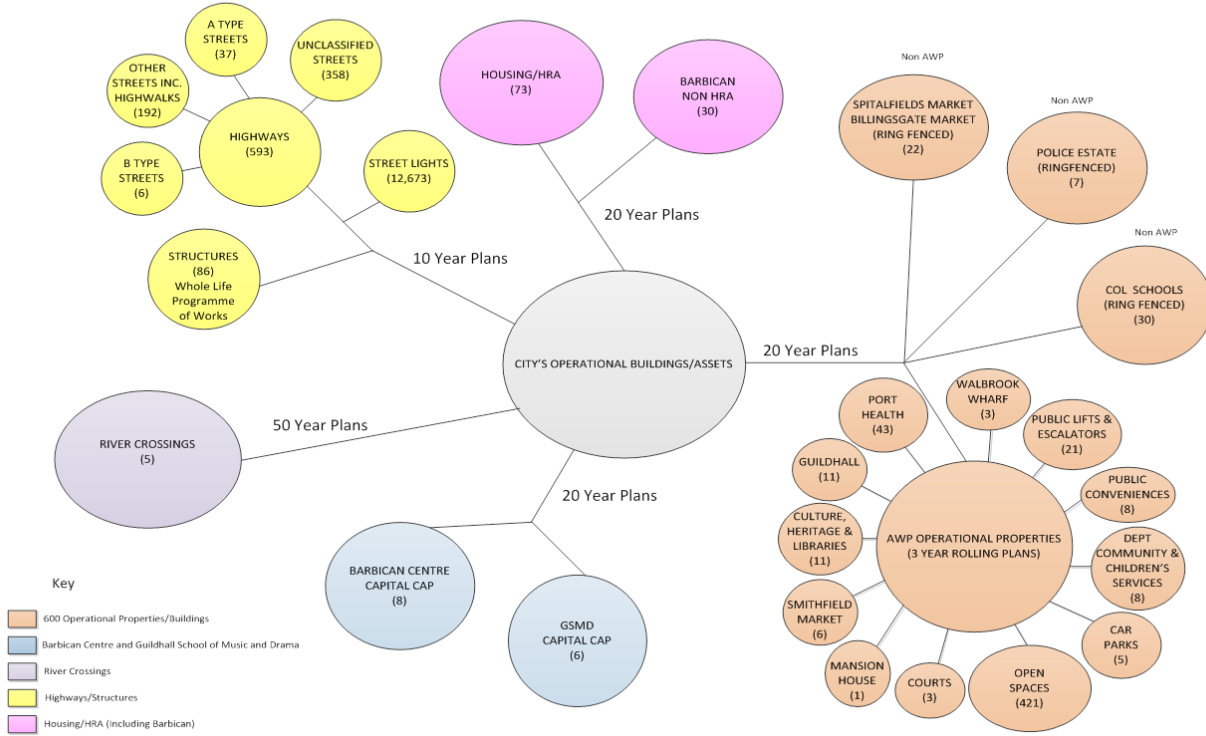
*This must be completed by the Author and the Senior Responsible Officer and Head of Department*

Name	Role	Date Approved
Caroline Al-Beyerty	Project Lead	
		SBR Steering Group – 10/12/14
		Summit Group – 23/02/15

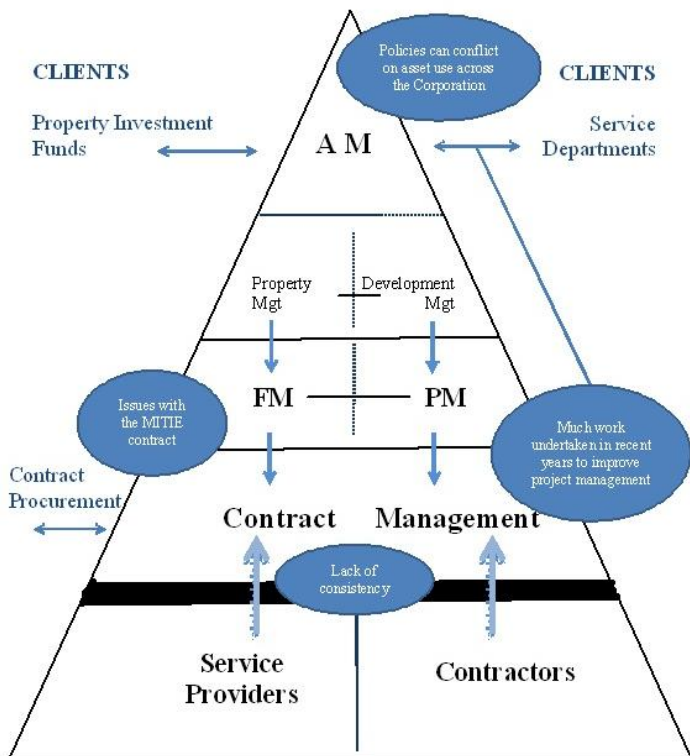
## Appendix A

The diagram below shows how the management of assets ought to be underpinned by effective facilities management and project management of improvement works. In turn these activities are underpinned by effective contract management. The blue 'bubbles' indicate areas where current arrangements are fragmented. At the apex- asset management, there is currently only a limited assessment of how property resources are allocated across the Corporation. New capital works, additional works programmes and resources for repairs and maintenance and running costs are approved by Resource Allocation Sub Committee. However, the current distribution of property is only reviewed by exception e.g. when identifying surplus properties for disposal to finance the capital programme. [Note: The remaining blue 'bubble' issues areas are covered by the three workstreams listed above].

MAINTENANCE OF OPERATIONAL ASSETS/BUILDING – CURRENT PROGRAMMES



Appendix B



# Opportunity Outline

This document is to be used for all new ideas / initiatives as an initial assessment / scope



**Title:** Facilities Management

<b>Name of Business Sponsor</b>	Susan Attard	<b>Directorate</b>	Town Clerks
<b>Author of document</b>	Susan Attard	<b>Date</b>	24 <sup>th</sup> December 2014

<input type="checkbox"/> <b>Mandatory</b> <i>Compliance with Legislation, Policy and Audit</i>	<input type="checkbox"/> <b>Sustainability</b> <i>Essential for business continuity</i>	<input checked="" type="checkbox"/> <b>Improvement</b> <i>New idea / opportunity that improves or increases Service Levels</i>
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## Case for Change / Objective

*Explanation as to why the proposal has come about (e.g. Audit Requirement; new idea, Service Improvement; Business Plan).*

As part of the Service Based Reviews, a number of opportunities to mitigate cost and risk to the Corporation across our asset base have been identified.

Due to the diversity, scope and complexity of all the different suggestions, an overarching proposal “Strategic Asset Management” has been created to ensure that the strategic aims are aligned across all the assets related opportunity outlines. Where appropriate joint working will be utilised to achieve better outcomes overall.

Beneath the overarching “Strategic Asset Management” proposal sits four sub proposals which are:-

- Strategic Review of Operational Properties
- Procuring & Managing Services (All Contracts)
- Project Management (All Project / Programme Management) and
- Facilities Management (could include some IS services or be joined)

This outline focuses on the “Facilities Management” work stream (See diagram below). The current situation is that the arrangements for providing Facilities Management Services are inconsistent across the organisation. There is duplication of effort in some areas and a number of pain points.

There is a fractured model, which has resulted in a lack of shared organisational understanding or consistency in how the level of service is identified, delivered and measured. The City Corporation has an opportunity to consolidate and rationalise the FM services to deliver consistent services in a more efficient and cost effective manner on behalf of the City Corporation and the City Police.

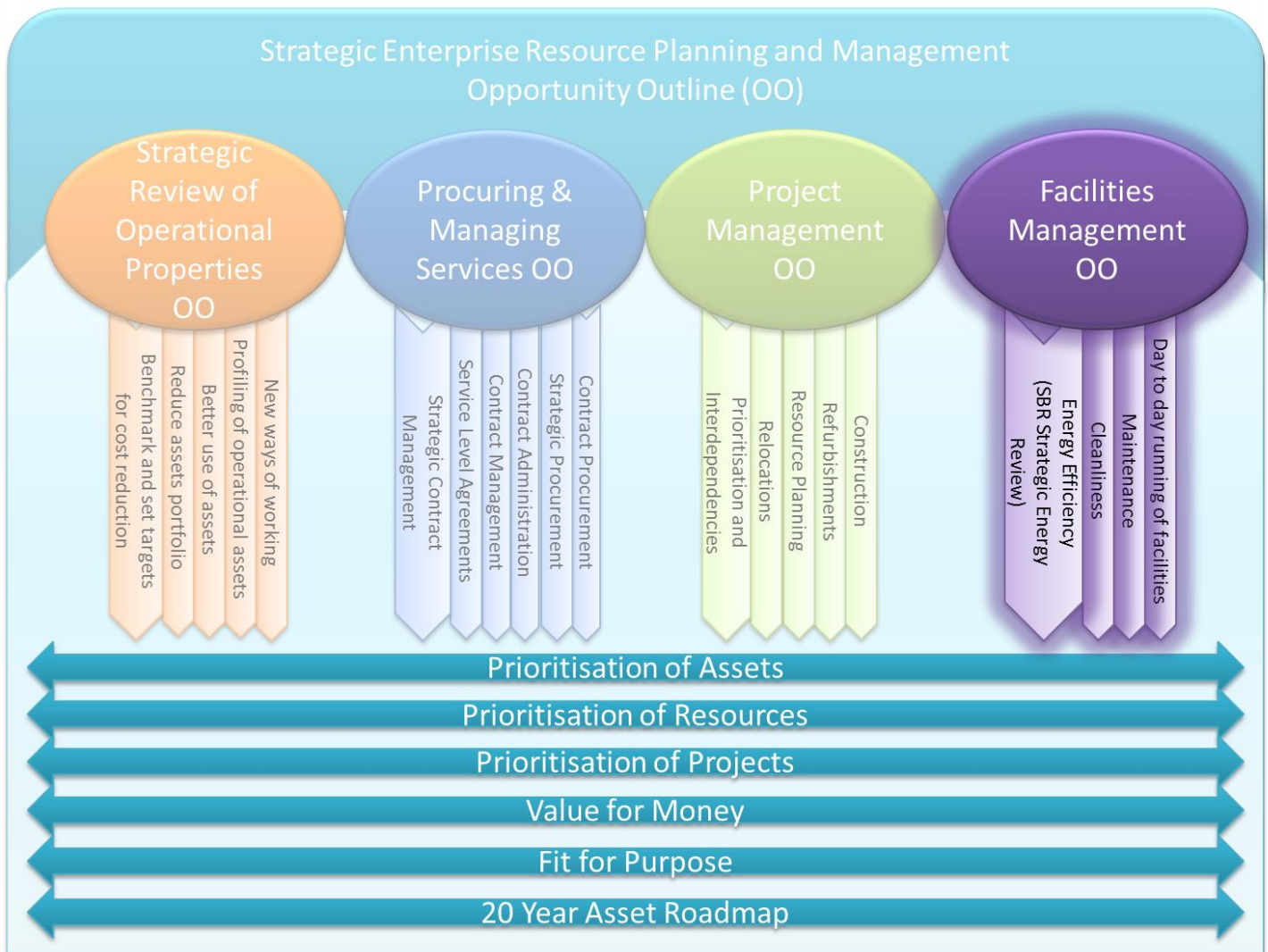
As part of this work we will investigate:

- current facilities management arrangements for all of our assets (Internal, external & mixture of both)
- current and future business property requirements
- implementation of SLAs and KPIs specific to asset type i.e. fit for purpose
- identify measurable targets for cashable savings as per SBR proposals in the short, medium and long term.
- identify contributions towards strategic energy review

- identify any potential areas of synergy for joint working i.e. IS service desk

We will approach this review to embed the core principles of the existing Asset Management Strategy across the corporation and create a set of recommendations to:

- Agree the most effective model of service provision
- maximise opportunities across properties (i.e. Rationalisation and co-location where appropriate)
- enhance the ongoing management of those properties (procuring & managing services and facilities management)
- ensure assets are efficiently occupied, maintained and fit for purpose
- ensure assets represent value for money



### Opportunity Description

*What is the proposed solution you are putting forward, describe in 50 words (couple of sentences)*

A senior officer steering group will drive the scope of the review and ensure that the current Repairs and Maintenance contract is improved and a clear set of proposals are in place for future FM contracts across the City Corporation and the City Police.

The steering group will be led by a service Chief Officer with support from the City Surveyor's Department, the FM category board and liaising with the contract management steering group, where appropriate.

The Focus will be on the following areas:



### **Current repairs and maintenance contract**

1. Hold a workshop with selected senior Chief Officers/Users to identify:
  - a. Current pain points and what works well
  - b. Identify actions which the City Corporation will take in short term to help contract management arrangements
  - c. Agree how key messages will be communicated internally and externally and who will create and manage the communications plan.
  - d. Identify changes to the specification
  - e. Identify any process changes to support consistent and responsive service delivery

### **Future FM arrangements**

2. Recommendations for future facilities management contracts
  - a. Desktop research to identify all FM arrangements in place in house and external contracts)
  - b. Agree timetable for reviewing different services
  - c. Agree approach to be taken to procure services, including challenge of in house teams, including consolidation were appropriate.
  - d. Identify skills and roles required internally to manage and administer FM contracts in an efficient and effective manner.

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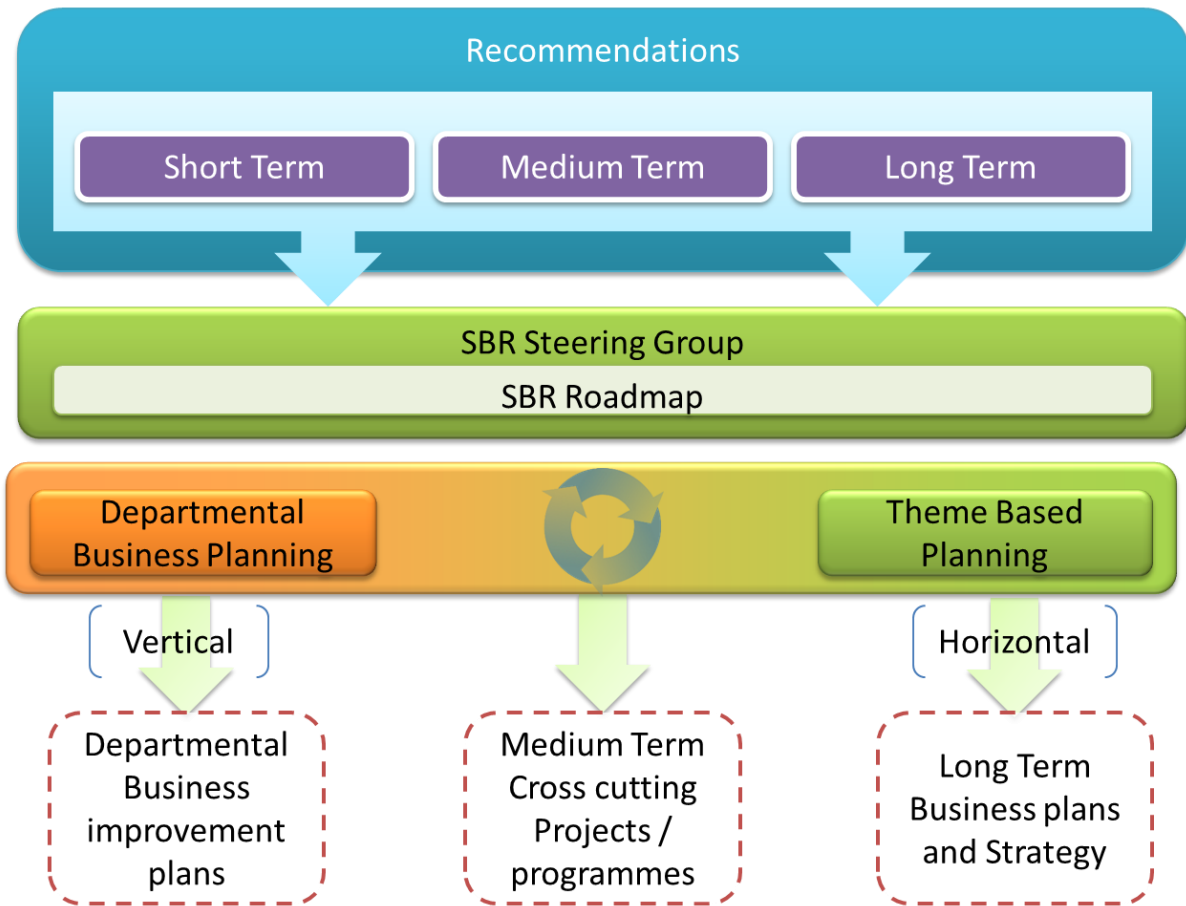
## **Expected Outcomes**

*What is the scope of what will be delivered*

The outcome of the review will be two-fold

1. Current Repairs and Maintenance Contract.
  - a. A set of recommendations to improve the efficiency and effectiveness of the current Repairs and Maintenance contract so that the services specified are delivered.
  - b. Identify the internal contract management arrangements required to manage the contract across the whole organisation. NB this is likely to be a consolidated hybrid model.
  - c. Identify any changes required to the specification to ensure consistency of standards that meet service department requirements.
  - d. Identify and agree and changes to key performance measures required to deliver specification.
  - e. Agree timescale for contract to be renegotiated in collaboration with FM Category Board.
2. A set of strategic recommendations to improve the efficiency and effectiveness of the FM arrangements, including the delivery of savings identified.
  - a. Identify all of the FM arrangements in place - in house and external contract.
  - b. Critical review of all in-house service provision and external contracts, with effective challenge for levels of service required.
  - c. Proposals to rationalise existing contracts, with in house teams transferring where justified. Consolidation of Operational FM and Investment Property Group (IPG) FM teams and services.
  - d. Proposals for Best Practice and consistency of the management of all FM services. NB this is likely to be a hybrid model.

## Direction of Travel



### Impact Analysis

*What departments, teams and services are impacted and how*

<input type="checkbox"/> <b>In-Service</b> <i>Solely impacts the department</i>	<input type="checkbox"/> <b>Multiple Services</b> <i>Impacts more than one department</i>	<input checked="" type="checkbox"/> <b>Whole of Corporation</b> <i>Impacts all areas within City of London Corporation</i>
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### Details

Scope of the review:

**To include facilities management arrangements for all operational properties within the City Corporation and the City of London Police**

**This will include all internal and external contract arrangements and the administration and management arrangements necessary to manage the contracts.**

### Outline Costs

*Rough costs, for equipment, software, staff time, contractors*

Description	Estimated Cost
<b>Project Team</b>	TBA

### Potential Benefits

*Cashable and non-cashable benefits*

Benefit Description	How you will measure the benefit
<ul style="list-style-type: none"> <li>Consistent level of FM services provided with requirements clear and understood</li> </ul>	Measured through key performance indicators

by service department and contractor/in house provider <ul style="list-style-type: none"> <li>Contract management and contract monitoring roles clear and explicit and understood by service department and contractor</li> <li>Consolidation of internal management arrangements resulting in efficiency savings</li> <li>Consolidation of FM service arrangements/contracts resulting in efficiency savings</li> </ul>	Reduction in expenditure on FM contracts  Reduction in revenue costs attributed to staff  Reduction in revenue costs attributed to staff
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### Budget / Funding Source Identified

*Will this be funded departmentally, corporately via capital budget request or a combination of both*

Source of funds	Amount	Status
Departmental Budget	£	
Additional Funding Required (Capital budget) / Grant	£	
<b>Total</b>	£TBA	N/A

### Resources / Delivery Team & Assurance

*What resources will be needed for delivery and the business areas*

Name	Role	Department
Susan Attard	Project Sponsor	Town Clerks
David Smith	Project Lead	Markets & Consumer Protection
Peter Young	Project Steering Group Member	City Surveyors
Sue Ireland	Project Steering Group Member	Open Spaces
Paul Nagle	Financial advice and accounting	Chamberlains
David Pearson	Project Steering Group Member	Culture Heritage and Libraries
Michael Dick	Project Steering Group Member	Barbican
FM Cleaning & Security - tbc	Project Lead	City Surveyors
HR – tbc	Project Steering Group Member	Town Clerks
Procurement - tbc	Project Steering Group Member and liaison with Contract Management Review	Chamberlains

### Timescales

*Is there an inflexible timescale this is needed by? If yes then provide specific reasons. Or is it simply as soon as possible? What would the project milestones look like? E.g. Weeks 1-4, Preparation of project PID*

Current Repairs and Maintenance Contract Review to be completed by end of March 2015 – new arrangements in place

FM Review to be completed by end of July 2015 – report with a set of recommendations

## Risks

Type = Project, Service, Corporate, Regulatory

Likelihood = High, Medium, Low

Impact = High, Medium, Low

Mitigating Plan = Proposed options to address the risk

Description of Risk	Type	Likelihood	Impact	Mitigation Plan

## Assumptions

What assumptions have been made whilst constructing this Opportunity Outline?

## Dependencies

Is this opportunity dependent or linked to other projects or initiatives?

This outline also fits into a wider Asset Management Strategy across the City Corporation, the other three elements being:

- \*Strategic Review of Operational Properties
- \* Operational Asset Review
- \* Procuring and Managing Services
- \* Project Management

There is a fractured model, which has resulted in a lack of shared organisational understanding or consistency in the level of service and how this is identified, delivered and measured. The City Corporation has an opportunity to consolidate and rationalise the FM services to deliver consistent services in a more efficient and cost effective manner on behalf of the City Corporation and the City Police.

## For Mandatory/Compliance proposals only

Is this opportunity dependent or linked to other projects or initiatives?

Compliance Type	References	Penalty for non-compliance
Statutory / Regulatory		
Audit Recommendation		
Council Policy		
Contractual obligation		

## Authorisation

This must be completed by the Author and the Senior Responsible Officer and Head of Department

Name	Role	Date Approved
Susan Attard	Project Sponsor	
		SBR Steering Group – 3.02.15
		Summit Group – 23.02.15

# Opportunity Outline

This document is to be used for all new ideas / initiatives as an initial assessment / scope



**Title:** Procuring and Managing Services Strategic Review

<b>Name of Business Sponsor</b>	Michael Cogher	<b>Directorate</b>	Comptroller and City Solicitor
<b>Author of document</b>	Suzanne Jones Huw Lewis	<b>Date</b>	8th December 2014

<input type="checkbox"/> <b>Mandatory</b> <i>Compliance with Legislation, Policy and Audit</i>	<input type="checkbox"/> <b>Sustainability</b> <i>Essential for business continuity</i>	<input checked="" type="checkbox"/> <b>Improvement</b> <i>New idea / opportunity that improves or increases Service Levels</i>
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## Case for Change / Objective

Explanation as to why the proposal has come about (e.g. Audit Requirement; new idea, Service Improvement; Business Plan).

As part of the Service Based Reviews, a number of opportunities to mitigate cost and risk to the Corporation across our asset base have been identified.

Due to the diversity, scope and complexity of all the different suggestions, an overarching proposal “Strategic Asset Management” has been created to ensure that the strategic aims are aligned across all the assets related opportunity outlines. Where appropriate joint working will be utilised to achieve better outcomes overall.

Beneath the overarching “Strategic Asset Management” proposal sits four sub proposals which are:-

- Strategic Review of Operational Properties
- Procuring & Managing Services (All Contracts)
- Project Management (All Project / Programme Management) and
- Facilities Management (could include some IS services or be joined)

This outline focuses on the “Procuring and Managing Services” work stream (See diagram below).

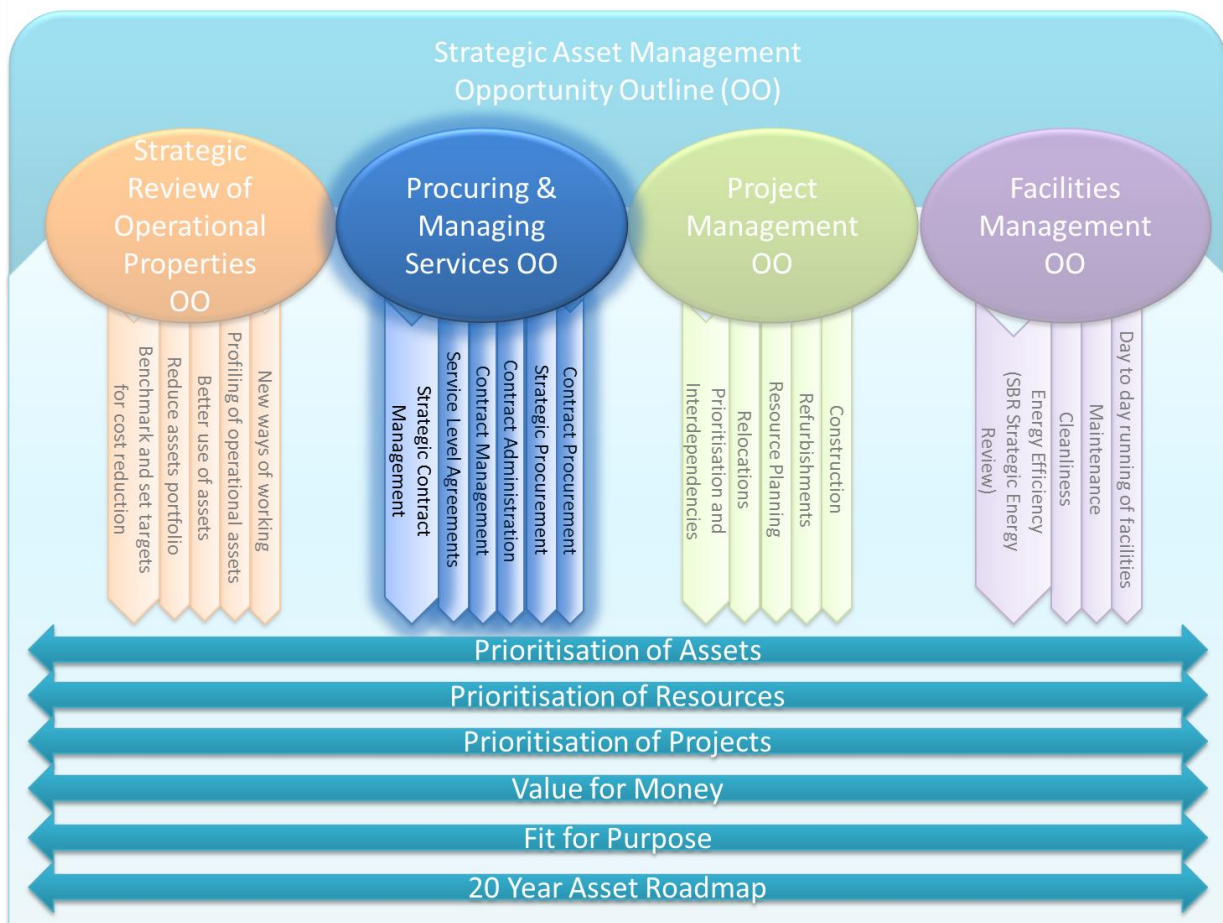
## Where do we want to get to?

Clear Overview	Clear visibility	Structured Approach	Clear vision
<ul style="list-style-type: none"> <li>• All contracts are kept in a <b>contract database</b> accessible for all stakeholders</li> <li>• Ability to leverage existing contracts with approved suppliers and <b>consolidate purchasing power</b>. Ensures no spend with suppliers not on contract</li> <li>• For every contract, it is clear who is the <b>owner, budget holder and manager</b></li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring and analysis of <b>supplier performance</b> against negotiated contractual terms to maximise savings opportunities</li> <li>• A <b>central repository</b>, providing audit trails and reports to ensure regulatory compliance is adhered to and monitored</li> </ul>	<ul style="list-style-type: none"> <li>• There is a <b>single approach</b> to contract management with <b>clear roles and responsibilities</b> defined</li> <li>• Realization of <b>uniform approach</b> towards cross business unit contracts</li> <li>• <b>Collaboration</b> between cross functional teams including the suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• Focus on <b>clear and transparent</b> contracting and contract management</li> <li>• Focus on <b>total cost of ownership</b> (optimal lead times, quality, service levels, replacement and purchase costs)</li> </ul>

The purpose of this outline is to take a holistic view and identify areas where we can improve across procurement and contract management lifecycle. This will help to identify within the end to end process where improvements could be made to:

- Get us better value from contracts
- Provide us with more control over contract performance
- Embed the appropriate amount of governance and reduce the risk to CoL and Customers
- Improve relationships with suppliers and how we engage

This will enable CoL to get into a model of transitioning business needs into “fit for purpose” services.

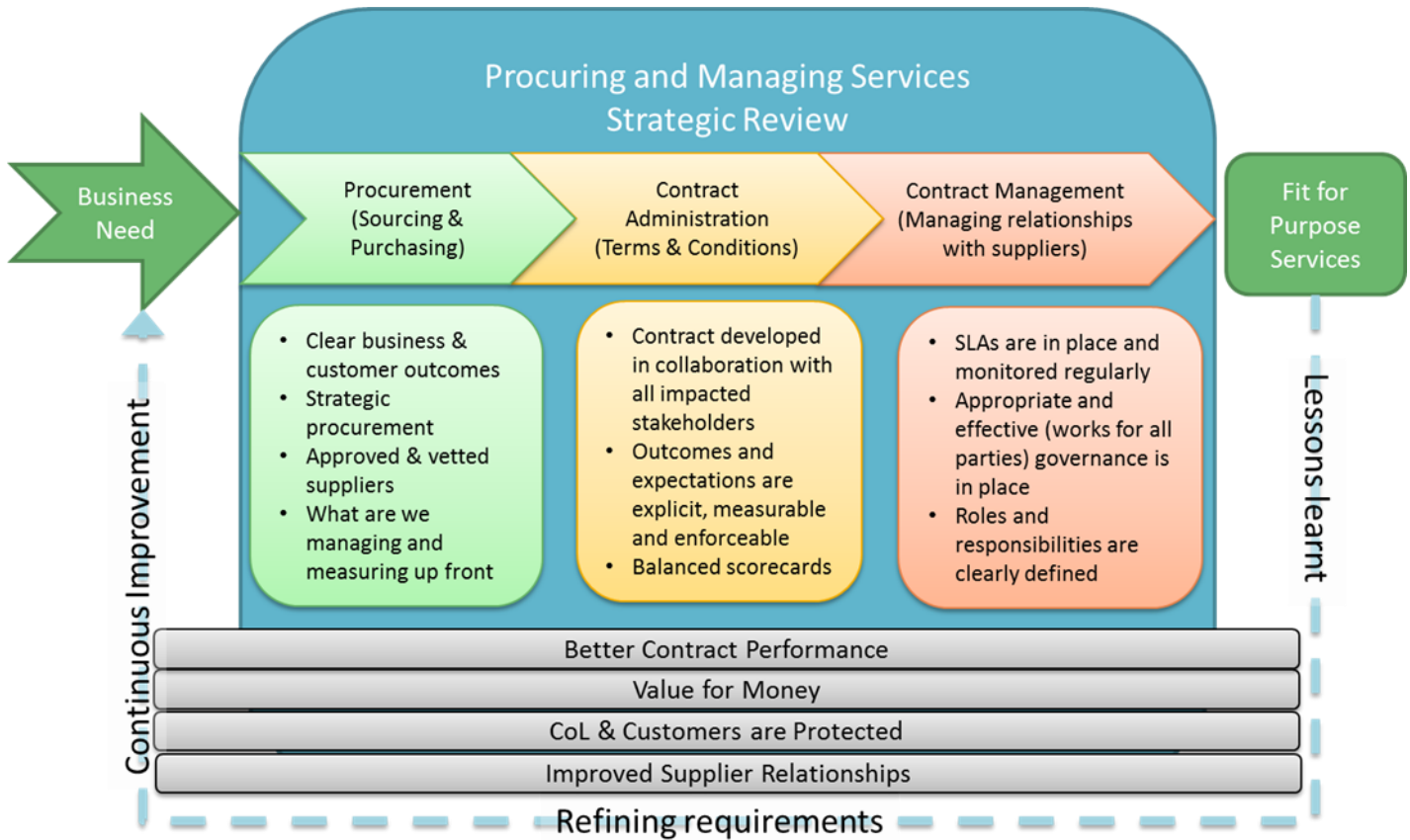


## Opportunity Description

*What is the proposed solution you are putting forward, describe in 50 words (couple of sentences)*

Focus on six areas:

1. Getting the contract right in the first place: adequate specification of output, quality standards and performance measures.
2. An agreed approach/framework for robust contract management used by client managers throughout the Corporation, identifying and building on any best practice models within the public sector
3. Clarity on the definitions of contract management and contract administration
4. Whether we have got the right structures in place across the Corporation to undertake strategic contract management
5. Ensuring that those managing contracts have adequate skills
6. A City wide process and standard of contract management developed to deliver commercial value and the wider contractual objectives.



## Expected Outcomes

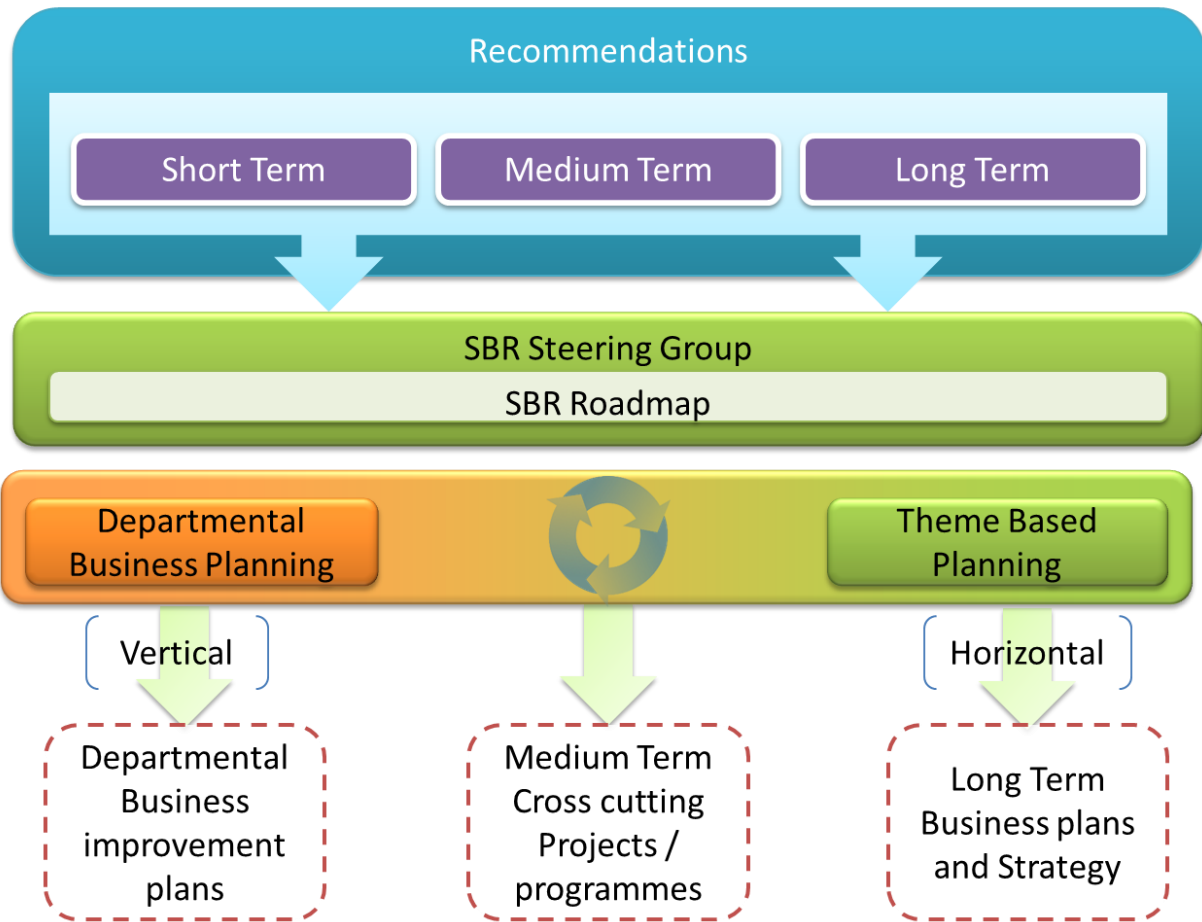
*What is the scope of what will be delivered*

- Improved contract management across the organisation, leading to improvements in, or maintenance of, quality delivery at a lower cost.
- Understanding and application of best practice in contract management
- Identification of skills gap and development of training programme to plug it.
- Addressing problems with current contract management to give confidence that the facilities management proposal can be achieved.
- Recommend the appropriate governance and structure for contract management
- Monitoring of performance ensuring delivery of all objectives: Best Value, Corporate Social Responsibility (CSR), Risk, Supply Chain resilience, Billing, Health and Safety.

Recommendations will be categorised into:

- Short term – quick wins that can be delivered either departmentally or cross service where appropriate
- Medium Term – more complex implementations that will likely have a high impact and require careful management
- Long Term – Strategic objectives and longer term change that requires gradual development and progression, which will be reflected in business and theme based plans.

## Direction of Travel



### Impact Analysis

*What departments, teams and services are impacted and how*

<input type="checkbox"/> <b>In-Service</b>	<input type="checkbox"/> <b>Multiple Services</b>	<input checked="" type="checkbox"/> <b>Whole of Corporation</b>
<i>Solely impacts the department</i>	<i>Impacts more than one department</i>	<i>Impacts all areas within City of London Corporation</i>

#### Details

Contract Management effects all departments that require 3<sup>rd</sup> party supplier services, the inconsistency on the discipline of contract management is what requires to be tackled to ensure we have a standard contract management delivery process in place. Initial key challenges that will need to be overcome include:

- No visibility into contracted commitments – financial, legal etc.
- Fragmented contract procedures
- Labour-intensive processes
- Ineffective contract compliance management & monitoring
- Lack of qualified and trained resource
- No consistent scorecard or KPIs

### Outline Costs

*Rough costs, for equipment, software, staff time, contractors*

Description	Estimated Cost
Software will be part of the new eProcurement suite.	
Resource costs will be dependent on strategy adopted	

### Potential Benefits



## Cashable and non-cashable benefits

Benefit Description	How you will measure the benefit	
	Area of Impact	Average Industry Improvement*
<ul style="list-style-type: none"> <li>Look holistically at sourcing &amp; procurement</li> <li>Develop structured standard agreements</li> <li>Manage and enforce compliance across the spend base</li> <li>Mitigate operational risk</li> <li>Deliver benefits across commercial, risk, service quality and CSR objectives</li> </ul>	Higher Contract Revenues	1-2%
	Compliance with policies & regulatory guidelines	90-100%
	Reduction in erroneous payments	75-90%
	Faster contract negotiation cycles	50%
	Increase in renewal revenue	30%
	Reduction in operating & processing costs	10-30%
	Reduced headcount or increased productivity	10-20%

## Budget / Funding Source Identified

*Will this be funded departmentally, corporately via capital budget request or a combination of both*

Source of funds	Amount	Status
Departmental Budget	£	
Additional Funding Required (Capital budget) / Grant	£	
<b>Total</b>	£	N/A

## Resources / Delivery Team & Assurance

*What resources will be needed for delivery and the business areas*

Name	Role	Department
Suzanne Jones	Project Sponsor	Chamberlain's
Philip Mirabelli	Legal Advisor	Comptroller's
Huw Lewis	Subject Matter Expert	City Surveyors
Peter Collinson	Subject Matter Expert	City Surveyors
Christopher Bell	Subject Matter Expert	Chamberlain's
TBC	Learning and Development Advisor	Town Clerks – HR

## Timescales

*Is there an inflexible timescale this is needed by? If yes then provide specific reasons. Or is it simply as soon as possible? What would the project milestones look like? E.g. Weeks 1-4, Preparation of project PID*

Although this has been identified as a significant contributor to leakage of contracted savings there is some flexibility on timescales. Consideration of the continued change programme of procurement bedding in has to be taken into account. The strategy could be being developed further with any decision on running a programme held mid 2015.

## Risks

*Type = Project, Service, Corporate, Regulatory*

*Likelihood = High, Medium, Low*

*Impact = High, Medium, Low*

*Mitigating Plan = Proposed options to address the risk*

Description of Risk	Type	Likelihood	Impact	Mitigation Plan
Too many changes programmes running concurrently	Project	High	Medium	Prioritisation of the various change programmes to be agreed.
Initial set up costs could be extensive if City wide training or a Contract Management	Corporate	High	High	Cost benefit analysis to be completed to ensure the business case is robust.

Centre of Excellence is to be established				
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### Assumptions

*What assumptions have been made whilst constructing this Opportunity Outline?*

The assumption is that the City is not managing contracts well, with inconsistent approaches taken.

### Dependencies

*Is this opportunity dependent or linked to other projects or initiatives?*

Dependent on Sourcing and Specification development. Vital that good contracts are in place to allow Contact Management to function.

Dependent on buy in City wide.

### For Mandatory/Compliance proposals only

*Is this opportunity dependent or linked to other projects or initiatives?*

Compliance Type	References	Penalty for non-compliance
Statutory / Regulatory		
Audit Recommendation		
Council Policy		
Contractual obligation		

### Authorisation

*This must be completed by the Author and the Senior Responsible Officer and Head of Department*

Name	Role	Date Approved
		SBR Steering Group – 10.12.14 Summit Group – 21.01.15

# Opportunity Outline

*This document is to be used for all new ideas / initiatives as an initial assessment / scope*



**Title:** Income Generation Cross-Cutting Review

<b>Business Sponsor</b>	Peter Kane	<b>Directorate</b>	Cross-departmental
<b>Author</b>	Sue Baxter	<b>Date</b>	18 May 2015

<input type="checkbox"/> <b>Mandatory</b>	<input type="checkbox"/> <b>Sustainability</b>	<input checked="" type="checkbox"/> <b>Improvement</b>
<i>Compliance with Legislation, Policy and Audit</i>	<i>Essential for business continuity</i>	<i>New idea / opportunity that improves or increases Service Levels</i>

## Case for Change / Objective

*Explanation as to why the proposal has come about (e.g. Audit Requirement; new idea, Service Improvement; Business Plan).*

The Service-based Review process (SBR) identified approximately £21 million in savings from both City Fund and City's Cash. Several income generating proposals were also put forward as part of this exercise totalling £5.6m. Members felt that these proposals could have been more ambitious and that further opportunities should be explored.

This follow-up exercise therefore will compare the Corporation's current income levels against performance by similar organisations, suggesting areas where immediate improvements can be made. In addition, this review will also consider the extent to which the Corporation wishes to embrace a more commercial approach to driving income with reference to the innovative business models being adopted increasingly across the country (and particularly in London) in response to the current regime for public sector finances. Some of the issues highlighted may raise some challenging questions about the operational ethos and organising principles of the Corporation going forwards.

## Opportunity Description

*What is the proposed solution you are putting forward, describe in 50 words (couple of sentences)*

This review will:

1. Benchmark the City Corporation's recent income from fees, charges and reclaimable costs against best practice elsewhere, highlighting service areas where these could be increased
2. Identify the potential for increasing additional external public funding from a wider range of sources by service area
3. Suggest options for increasing income through a more commercial approach to service delivery with regard to the alternatives being explored by local authorities and other comparable institutions
4. Highlight some specific initiatives which could be developed to increase income, including more active and co-ordinated pursuit of private sponsorship.

## Expected Outcomes

*What is the scope of what will be delivered*

### Financial

1. Income from fees, charges and reclaimable costs benchmarked
2. Recommendations for how to better align Corporation practice with best practice elsewhere, unless a different approach has been explicitly preferred
3. An appropriately calibrated set of targets for fees, charges and reclaimable costs for inclusion in business plans
4. Recommendations for a more strategic approach to levying fees & charges based on consistently applied policies and principles and benchmarked against London boroughs where appropriate
5. Top 3 potential sources and scale of additional public funding identified
6. Top 3 commercial income generating / sponsorship initiatives identified + organisational implications considered
7. Indication of scale of resources / investment required to pursue and manage additional public funding identified

### Strategic

8. Structured consideration of the extent to which the Corporation might become more commercial in relation to the models being adopted within the 32 London boroughs and in which service areas
9. Implications highlighted of the importance of strong, coherent marketing for promoting the City of London 'brand'
10. Consideration of which CoLC services might be expanded and commercially 'traded' and which services might be best externally commissioned in relation to alternatives in the market

### Organisational / cultural

11. A final report to the Service Based Reviews Steering Group, Summit/COG and then to relevant committees
12. Raised awareness by service managers of
  - 'Whole costs' of services and associated budgetary and management implications
  - The scope for discretionary charging and any related statutory / regulatory restrictions
  - Commercial approaches taken elsewhere in London and beyond.

## Impact Analysis

*What departments, teams and services are impacted and how*

<input type="checkbox"/> In-Service	<input type="checkbox"/> Multiple Services	<input checked="" type="checkbox"/> Whole of Corporation
<i>Solely impacts the department</i>	<i>Impacts more than one department</i>	<i>Impacts all areas within City of London Corporation</i>

## Outline Costs

*Rough costs, for equipment, software, staff time, contractors*

Description	Estimated Cost
Secondee (Town Clerk's)	
Fundraisers workshops (Barbican)	
Technical support & advice (Chamberlain's)	
Ad hoc advice and input from range of service delivery staff	

## Potential Benefits

*Cashable and non-cashable benefits*

Benefit Description	How you will measure the benefit
1. Structured consideration of the extent to which the Corporation might become more commercial in relation to the models being adopted elsewhere and of the implications for the organisation	Clear committee decisions on way forward : Autumn 2015
2. Potential for increased income from fees, charges and reclaimable costs identified	Final report to contain information
3. Targets for fees, charges and reclaimable costs for incorporation into business plans going forwards	Future business plans in 2016/17 to include stretching targets for fees, charges and reclaimable costs, providing members agree
4. Top 3 potential sources and scale of additional public funding identified	Final report to contain information
5. Top 3 commercial income generating / sponsorship initiatives identified + organisational implications considered	Final report to contain information

## Budget / Funding Source Identified

*Will this be funded departmentally, corporately via capital budget request or a combination of both*

Source of funds	Amount	Status
Departmental Budget		Ongoing staffing costs already approved
Additional Funding Required		
<b>Total</b>		N/A

## Resources / Delivery Team & Assurance

*Will this be funded departmentally, corporately via capital budget request or a combination of both*

Name	Role	Department
Steering group chaired by the Chamberlain as SRO meets monthly and includes:		
Sue Baxter	Project lead	Town Clerk's
Leonora Thomson	Barbican & fundraisers' workshops	Barbican Centre
Caroline Al-Beyerty	Advisory	Chamberlain's
Julie Smith	Technical support	Chamberlain's
Nikki Cornwell	Technical support	Chamberlain's
Neil Davies	For CPDU	Town Clerk's

A cross-departmental sounding board group may also be established to meet 2-3 times as the review progresses in order to test analysis and proposals.

## Timescales

*Is there an inflexible timescale this is needed by? If yes then provide specific reasons. Or is it simply as soon as possible? What would the project milestones look like? E.g. Weeks 1-4, Preparation of project PID*

June Summit 2015:	Opportunity outline / scoping & terms of reference agreed by Chief Officers
End July 2015:	Research & interviews
End August 2015:	Draft report completed
Autumn 2015:	Committees consider review findings and recommendations

## Risks

*Type = Project, Service, Corporate, Regulatory*

*Likelihood = High, Medium, Low*

*Impact = High, Medium, Low*

*Mitigating Plan = Proposed options to address the risk*

Description of Risk	Type	Likelihood	Impact	Mitigation Plan
Lack of sufficiently comprehensive and consistent management information to allow meaningful benchmarking to be achieved	Corporate	Medium	High	Strong technical support on hand if required
Slippage to delivery date due to complexity of work involved	Project	Medium	Low	Project lead has dropped other areas of work to focus on this review

## Assumptions

*What assumptions have been made whilst constructing this Opportunity Outline?*

It has been assumed that it is possible to compare CoLC local authority services proportionately against London boroughs in terms of cost and income

## Dependencies

*Is this opportunity dependent or linked to other projects or initiatives?*

This review is dependent upon

- sufficient levels of consistent management information from which to draw reliable analysis
- prompt response times for responses to requests for information and analysis

## Authorisation

*This must be completed by the Author and the Senior Responsible Officer and Head of Department*

Name	Role	Date Approved
Sue Baxter	Project Lead	
Peter Kane	Project Sponsor	
		At Review Steering Group
		SBR Steering Group – 2/6/15
		Summit Group – 10/6/15

# Opportunity Outline

*This document is to be used for all new ideas / initiatives as an initial assessment / scope*



<b>Title:</b>	Grants		
<b>Name of Business Sponsor</b>	Susan Attard	<b>Directorate</b>	Town Clerk's Department
<b>Author of document</b>	Sue Baxter	<b>Date</b>	6 <sup>th</sup> October 2014

<input type="checkbox"/> <b>Mandatory</b>	<input checked="" type="checkbox"/> <b>Sustainability</b>	<input checked="" type="checkbox"/> <b>Improvement</b>
<i>Compliance with Legislation, Policy and Audit</i>	<i>Essential for business continuity</i>	<i>New idea / opportunity that improves or increases Service Levels</i>

## Case for Change / Objective

*Explanation as to why the proposal has come about (e.g. Audit Requirement; new idea, Service Improvement; Business Plan).*

As part of the service based review exercise it was proposed that there was potential to improve the many different grant giving functions across the City of London Corporation to achieve better transparency and accountability, improved value for money, greater traction and administrative efficiencies. An exercise to review the Corporation's grant giving functions could also offer insights into the activities of the various charities for which the Corporation (or one of its elected members) is a Trustee, to enable Trustees to make better informed choices going forwards.

## Opportunity Description

*What is the proposed solution you are putting forward, describe in 50 words (couple of sentences)*

A senior officer steering group will drive the detailed scope of the review and ensure that all grant streams are reviewed along common lines of enquiry in each department. Each departmental review will then be scrutinised for rigour and consistency before being amalgamated into a broader dataset for comparative analysis. On the basis of the comparative analysis plus steering group observations, recommendations will be drafted to improve governance and priority setting, due diligence and organisational management and administrative support. Some of the recommendations will be of direct relevance to the various charities in which the Corporation (or one of its elected Members) is a Trustee, so a set of general observations will also be prepared with suggested improvements as to how the Corporation (and/or its charitable Trustees) might wish to consider their approach to governing the relevant charities.

## Expected Outcomes

*What is the scope of what will be delivered*

- Initial outputs would establish a 'baseline' (currently not available), to identify:
  - All existing direct grants made by the Corporation and the annual value of each
  - All live and dormant charities for which the Corporation or one of its elected members is a Trustee and the annual value of each
  - The extent and organisational location of the range of management and support services provided to both direct grant giving activities and City-related charities across the Corporation
  - A clear definition of a Corporation grant, with subsequent recommendations for the reallocation to more appropriate budgets of expenditure currently made as 'grants' but not conforming to that definition (leading to improved consistency of approach and greater accountability of spending).

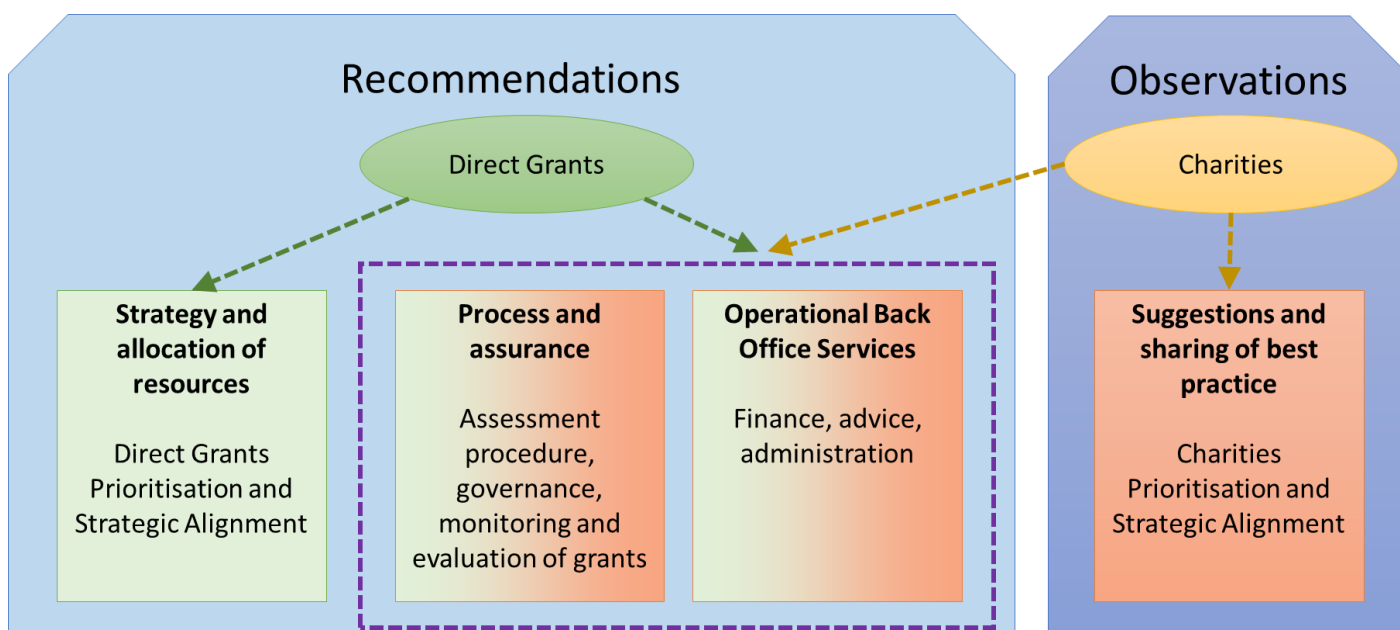
2. Once the evidence base is established, the review will examine the processes of
- Strategic priority setting, decision-making and for City’s Cash and City Fund grants, alignment with corporate goals
  - Governance procedures, due diligence, monitoring and evaluation
  - Management and support services

This will be completed on a departmental basis, so the information will be able to inform future business planning within each department.

3. A final report containing recommendations for improvements based on an analysis of the amalgamated departmental reviews will be presented to the Service Based Reviews Steering Group. This will cover:

- Strategic priority setting and decision-making for all grants made directly by the Corporation
- Processes and procedures relating to the assessment, governance, monitoring and evaluation of those grants
- The organisation of the management and support services for grants directly awarded by the Corporation and also to support the Charities for which the Corporation or one of its members is a Trustee

4. Observations for Corporation-funded charities about comparative best practice and how best to access the Corporation’s expertise.



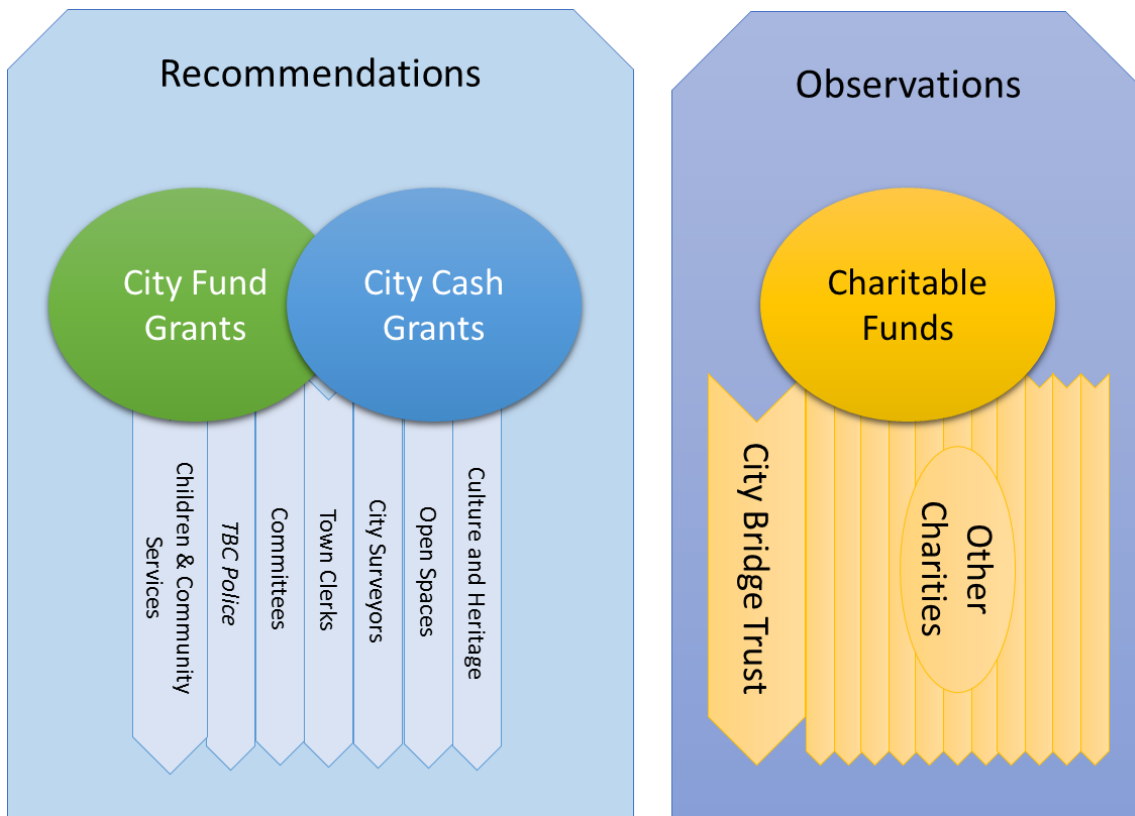
### Impact Analysis

*What departments, teams and services are impacted and how*

<input type="checkbox"/> <b>In-Service</b>	<input checked="" type="checkbox"/> <b>Multiple Services</b>	<input type="checkbox"/> <b>Whole of Corporation</b>
<i>Solely impacts the department</i>	<i>Impacts more than one department.</i>	<i>Impacts all areas within City of London Corporation</i>

**Details on next page**





## Outline Costs

*Rough costs, for equipment, software, staff time, contractors*

Description	Estimated Cost
<b>Sue Baxter (Internal)</b>	30% of time
<b>Laura Donegani</b>	10 days in total

## Potential Benefits

*Cashable and non-cashable benefits*

Benefit	How you will measure
Improved corporate grasp and transparency of the Corporation's range of grant giving activities	Establishment of definitive lists of grants, charities and the Corporation's contribution to supporting them
Grants from City's Cash and City Fund better strategically aligned with corporate objectives	Greater synergies able to be demonstrated between grant funded activities and the City Corporation's objectives on an annual basis
Best practice identified and spread in terms of the prioritisation, assessment and governance of grants	Clear and consistent guidelines identified on decision making, assessment, monitoring and evaluation of grants
Consolidation of expertise within the Corporation to administer and manage grants, especially where these involve handling charitable grants	Identification of virtual core 'team' of grants and charitable expertise across the Corporation
Reduction in operating costs resulting from the rationalisation of administrative services managing grants	Reduction in FTE staffing and/or overall operating costs of administering grants
Financial savings arising from the potential rationalisation of some City's Cash and City Fund grants	Reduced expenditure from City's Cash and City Fund

## Budget / Funding Source Identified

*Will this be funded departmentally, corporately via capital budget request or a combination of both*

Source of funds	Amount	Status
Departmental Budget	£N/A	
Additional Funding Required (Capital budget)	£N/A	
<b>Total</b>	£N/A	N/A

## Resources / Delivery Team & Assurance

*Will this be funded departmentally, corporately via capital budget request or a combination of both*

Name	Role	Service
Sue Baxter	Review co-ordinator	Town Clerk's
Laura Donegani	Review support	Town Clerk's
Steve Telling	Financial management	Chamberlain's
Neil Davies / Cheryl Bennett	Corporate performance & development	Town Clerk's
Michael Cogher or Anne Pietsch	Legal advice	Legal
David Farnsworth	Charities	City Bridge Trust
David Pearson	Culture, Heritage & Libraries grants	Culture, Heritage & Libraries
Laura Davison	Policy Initiatives Fund and EDO grants	Economic Development
Neil Hounsell	Community & Children's Services grants	CCS
Paul Beckett	Unallocated Community Infrastructure Levy	Built Environment
Linda Cross	Aldermanic charities	
Jennifer Allott	Open spaces grants	Open Spaces
Angela Murphy or Joshua Burton	Education grants	Education
Angela Roach / Alistair MacLellan	P&R Committee process and Member engagement	Town Clerk's
<i>tbc</i>		<i>Audit</i>
<i>tbc</i>		<i>Police</i>

## Timescales

*Is there an inflexible timescale this is needed by? If yes then provide specific reasons. Or is it simply as soon as possible? What would the project milestones look like? Eg. Weeks 1-4, Preparation of project PID*

- Substantive research, background work to be completed by end December 2014
- Approval by Service Based Review Steering Group
- Approval by Summit Group
- Approval of final report by Resource Allocation Sub Committee 22 January 2015
- Updates and information provided to all committees as appropriate
- Recommendations to be subject to the Court of Common Council and Court of Alderman's approvals process and to be implemented during financial year 2015 – 2016 .

## Risks

*Type = Project, Service, Corporate, Regulatory*

*Likelihood = High, Medium, Low*

*Impact = High, Medium, Low*

*Mitigating Plan = Proposed options to address the risk*

Description of Risk	Type	Likelihood	Impact	Mitigation Plan
Reputational damage - if it is revealed that the Corporation cannot account adequately for its range of grant funds or if the Corporation's charities lose their charitable status due to negligent management	Regulatory	Medium	High	Implementing the recommendations of the review
Wasted finances – potential for improved value for money and administrative efficiencies to be lost if the Corporation does not take a more rigorous approach to managing its grant giving activities	Corporate	Medium	High	Implementing the recommendations of the review

### Assumptions

*What assumptions have been made whilst constructing this Opportunity Outline?*

### Dependencies

*Is this opportunity dependent or linked to other projects or initiatives?*

### For Mandatory/Compliance proposals only

*Is this opportunity dependent or linked to other projects or initiatives?*

Compliance Type	References	Penalty for non-compliance
<b>Statutory</b>		
<b>Audit Recommendation</b>		
<b>Council Policy</b>		
<b>Contractual obligation</b>		

### Authorisation

*This must be completed by the Author and the Senior Responsible Officer and Head of Department*

Name	Position	Date Approved
Sue Baxter	Project Lead	
Susan Attard	Project Sponsor	
		SBR Steering Group – 10.11.14

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# Opportunity Outline

*This document is to be used for all new ideas / initiatives as an initial assessment / scope*



**Title:** Effectiveness of Hospitality review

<b>Name of Business Sponsor</b>	Paul Double	<b>Directorate</b>	Remembrancer's Office
<b>Author of document</b>	Nigel Lefton	<b>Date</b>	26 March 2015

<input type="checkbox"/> <b>Mandatory</b> <i>Compliance with Legislation, Policy and Audit</i>	<input checked="" type="checkbox"/> <b>Sustainability</b> <i>Essential for business continuity</i>	<input checked="" type="checkbox"/> <b>Improvement</b> <i>New idea / opportunity that improves or increases Service Levels</i>
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## Case for Change / Objective

*Explanation as to why the proposal has come about (e.g. Audit Requirement; new idea, Service Improvement; Business Plan).*

The Service Based Review requires a thorough examination of all aspects of the City Corporation's activities and how these link to the City Corporation Strategic Aims. There is a general recognition that hospitality linked to events takes place in numerous ways and in different departments; it makes sense for such hospitality to be coordinated so far as possible to maximise efficiency and to achieve effective sharing of best practice. As part of the review, it will be necessary to look at what it is we currently do, why we do it, and what are the costs.

## Opportunity Description

*What is the proposed solution you are putting forward, describe in 50 words (couple of sentences)*

The Corporate Events Management Group, chaired by the Remembrancer, will oversee the review. Each department involved in providing hospitality will be asked to set out:

- the current scope of the hospitality on which they lead
- the aims and benefits of the hospitality they provide
- costs, including staff and use of facilities.

On the basis of analysis of these reports, and feedback from senior officers and Members, recommendations will be drafted to provide a flexible yet coordinated and cost-efficient approach to events-related hospitality.

The project will require increased working across departments and sharing of skills and technical expertise and resources.

## Expected Outcomes

*What is the scope of what will be delivered*

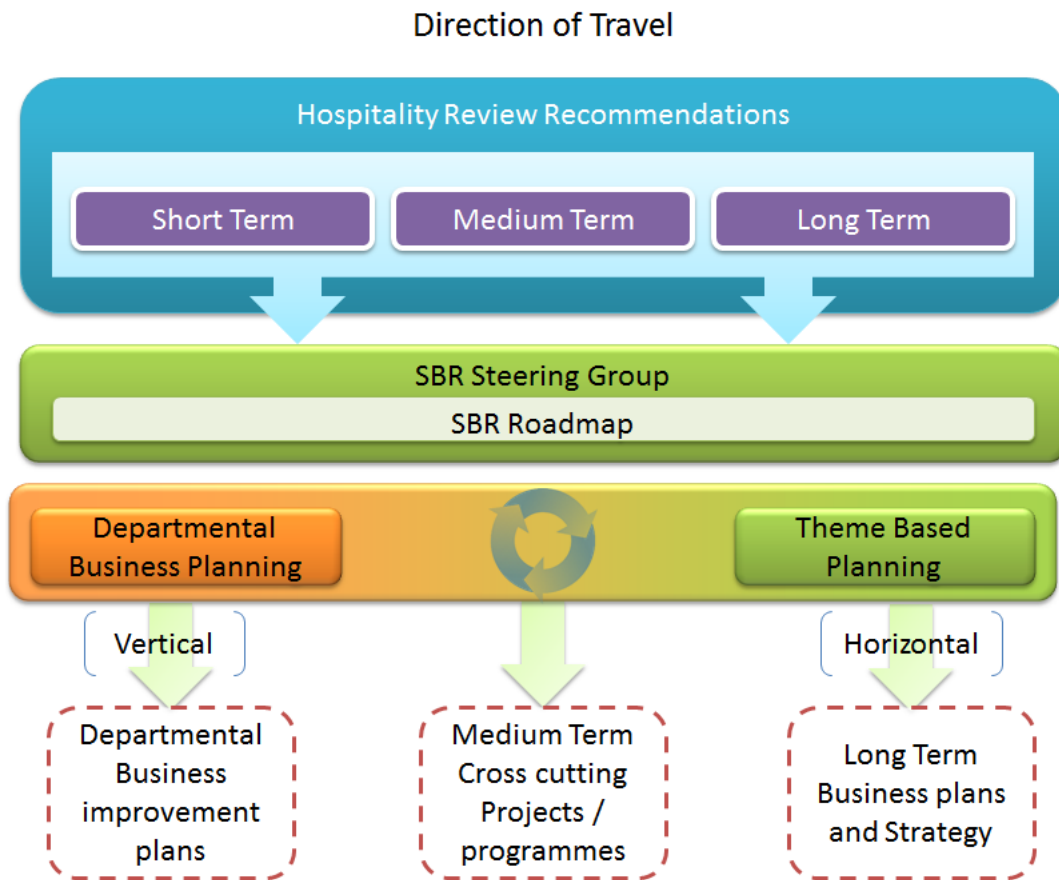
The outcome of the recommendations if adopted will be:

- a greater state of knowledge about hospitality-related events across the organisation
- a stronger narrative about the purposes and benefits of the City Corporation's provision of hospitality
- better co-ordinated forward planning
- maximising the use of internal knowledge in getting the best out of events

Recommendations will be categorised into:

- Short term – quick wins that can be delivered immediately
- Medium term – more complex implementation that will have a higher impact

- Long term – longer term changes that require gradual development, which will be reflected in business plans.



### Impact Analysis

*What departments, teams and services are impacted and how*

<input type="checkbox"/> <b>In-Service</b> <i>Solely impacts the department</i>	<input checked="" type="checkbox"/> <b>Multiple Services</b> <i>Impacts more than one department</i>	<input type="checkbox"/> <b>Whole of Corporation</b> <i>Impacts all areas within City of London Corporation</i>
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#### Details

Remembrancer’s Office; PRO; EDO; Mansion House; and Culture, Heritage and Libraries (including Tower Bridge) are directly within scope of the project. Account to be taken of linked venues including the Barbican Centre, Guildhall School of Music & Drama, the Museum of London and the Central Criminal Court. Time will have to be given to the input of information by departments and to meetings with key people across the organisation.

### Outline Costs

*Rough costs, for equipment, software, staff time, contractors*

Description	Estimated Cost
Staff time to be ascertained but will involve staff input from all relevant departments, with oversight by the Corporate Events Management Group.	

### Potential Benefits

*Cashable and non-cashable benefits*

Benefit Description	How you will measure the benefit
Best practice identified in relation to prioritisation and assessment of proposed events	

and their delivery	
Making use of common processes and procedures	
More efficient use of staff and resources through greater flexibility	

### Budget / Funding Source Identified

*Will this be funded departmentally, corporately via capital budget request or a combination of both*

Source of funds	Amount	Status
<b>Departmental Budget</b>	£ N/A	
<b>Additional Funding Required (Capital budget) / Grant</b>	£ N/A	
<b>Total</b>	£ N/A	N/A

### Resources / Delivery Team & Assurance

*What resources will be needed for delivery and the business areas*

Name	Role	Department
Tony Halmos Paul Sizeland William Chapman David Pearson Charles Henty Simon Murrells with input from Sir Nicholas Kenyon, Barry Ife and Sharon Ament.		

### Timescales

*Is there an inflexible timescale this is needed by? If yes then provide specific reasons. Or is it simply as soon as possible? What would the project milestones look like? E.g. Weeks 1-4, Preparation of project PID*

Operational framework agreed by May 2015. Recommendations to be considered by the Corporate Events Management Group by end July 2015. Approval by HWP, Efficiency and Performance Sub-Committee, Policy and Resources Committee and Court of Aldermen. Implementation to commence by start of the financial year 2016/17.

### Risks

*Type = Project, Service, Corporate, Regulatory*

*Likelihood = High, Medium, Low*

*Impact = High, Medium, Low*

*Mitigating Plan = Proposed options to address the risk*

Description of Risk	Type	Likelihood	Impact	Mitigation Plan
Recommendations will lack coordination.	Project	Low	High	Full consultation as part of review process with all those involved in providing City hospitality.
Changes made pursuant to recommendations will interfere with current generally high standards of hospitality.	Corporate	Low	High	Thorough assessment of risks and monitoring of implementation of changes.

### Assumptions

*What assumptions have been made whilst constructing this Opportunity Outline?*

Continuation of hospitality function at level currently anticipated.

### **Dependencies**

*Is this opportunity dependent or linked to other projects or initiatives?*

There are implications for other parts of the Corporation, including facilities management.

### **For Mandatory/Compliance proposals only**

*Is this opportunity dependent or linked to other projects or initiatives?*

<b>Compliance Type</b>	<b>References</b>	<b>Penalty for non-compliance</b>
<b>Statutory / Regulatory</b>		
<b>Audit Recommendation</b>		
<b>Council Policy</b>		
<b>Contractual obligation</b>		

### **Authorisation**

*This must be completed by the Author and the Senior Responsible Officer and Head of Department*

<b>Name</b>	<b>Role</b>	<b>Date Approved</b>
Nigel Lefton	Author	
Paul Double	SRO and Head of Department	
		SBR Steering Group – 8.4.15
		Summit Group – 18.5.15



# Opportunity Outline

This document is to be used for all new ideas / initiatives as an initial assessment / scope



Title: SBR: Independent Schools

Name of Business Sponsor: Peter Lisley  
Directorate: Town Clerks

Author of document: Peter Lisley  
Date: 20 March 2015

<input type="checkbox"/> <b>Mandatory</b> <i>Compliance with Legislation, Policy and Audit</i>	<input type="checkbox"/> <b>Sustainability</b> <i>Essential for business continuity</i>	<input checked="" type="checkbox"/> <b>Improvement</b> <i>New idea / opportunity that improves or increases Service Levels</i>
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## Case for Change / Objective

Explanation as to why the proposal has come about (e.g. Audit Requirement; new idea, Service Improvement; Business Plan).

**At its meeting on 4 September 2014 the Policy & Resources Committee resolved "issues regarding potential fee increases, scholarships and bursaries at the three independent schools being taken forward as a service based review workstream in consultation with the School Heads and governing bodies"**

## Opportunity Description

What is the proposed solution you are putting forward, describe in 50 words (couple of sentences)

**To review the alignment of the Independent Schools' activities with the Education Strategy to allow a consideration of value for money to be undertaken by Members.**

## Expected Outcomes

What is the scope of what will be delivered

**Report detailing issues identified in the review for consideration by Members.**

## Impact Analysis

What departments, teams and services are impacted and how

<input type="checkbox"/> <b>In-Service</b> <i>Solely impacts the department</i>	<input checked="" type="checkbox"/> <b>Multiple Services</b> <i>Impacts more than one department</i>	<input type="checkbox"/> <b>Whole of Corporation</b> <i>Impacts all areas within City of London Corporation</i>
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## Details

**City of London School  
City of London School for Girls  
City of London Freeman's School**

**Under the leadership of the respective Heads the individual schools will produce reports for their Boards and the Education Board.**

## Outline Costs

Rough costs, for equipment, software, staff time, contractors

Description	Estimated Cost
Staff costs in Town Clerks and individual schools	

## Potential Benefits

*Cashable and non-cashable benefits*

Benefit Description	How you will measure the benefit
<b>Visibility of Schools' activities, alignment to the education strategy and the true cost of support to the Schools.</b>	<b>Reports to Education Board in September 2015 produced.</b> <b>Incorporation of costs into future consideration of total education spending.</b>
<b>Clarity of use of COL's fee-support funding and means of calculation.</b>	<b>Agreement by Boards as to future use of funding predominately for Bursaries.</b>

## Budget / Funding Source Identified

*Will this be funded departmentally, corporately via capital budget request or a combination of both*

Source of funds	Amount	Status
Departmental Budget	£	
Additional Funding Required (Capital budget) / Grant	£	
Total	£	N/A

## Resources / Delivery Team & Assurance

*What resources will be needed for delivery and the business areas*

Name	Role	Department
<b>Peter Lisle</b>	<b>Lead</b>	<b>TC</b>
<b>Sarah Fletcher</b>	<b>Lead for CLS</b>	<b>CLS</b>
<b>Ena Harrop</b>	<b>Lead for CLSG</b>	<b>CLSG</b>
<b>Philip MacDonald</b>	<b>Lead for CLFS</b>	<b>CLFS</b>

## Timescales

*Is there an inflexible timescale this is needed by? If yes then provide specific reasons. Or is it simply as soon as possible? What would the project milestones look like? E.g. Weeks 1-4, Preparation of project PID*

**No specific deadline.**

**April/May 2015 – Initial engagement with Head Teachers and Chairmen of Boards of Governors**

**June 2015 – Individual School reports to Boards**

**September 2015 – Education Board receive reports**

**October 2015 – Composite report**

**November / December 2015 – Schools decide upon 16/17 fees.**

## Risks

*Type = Project, Service, Corporate, Regulatory*

*Likelihood = High, Medium, Low*

*Impact = High, Medium, Low*

*Mitigating Plan = Proposed options to address the risk*

Description of Risk	Type	Likelihood	Impact	Mitigation Plan
<b>Member concerns</b>	<b>C</b>	<b>M</b>	<b>M</b>	<b>Early Member engagement in scoping of review and report production.</b>
<b>Resources of Schools</b>	<b>S</b>	<b>M</b>	<b>M</b>	<b>Joint working between individual schools to provide mutual support.</b>

## Assumptions

*What assumptions have been made whilst constructing this Opportunity Outline?*

**No immediate cost savings.**

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## Dependencies

*Is this opportunity dependent or linked to other projects or initiatives?*

No

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## For Mandatory/Compliance proposals only

*Is this opportunity dependent or linked to other projects or initiatives?*

Compliance Type	References	Penalty for non-compliance
<b>Statutory / Regulatory</b>		
<b>Audit Recommendation</b>		
<b>Council Policy</b>		
<b>Contractual obligation</b>		

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## Authorisation

*This must be completed by the Author and the Senior Responsible Officer and Head of Department*

Name	Role	Date Approved
<b>Peter Lisley</b>	<i>Project lead</i>	
		SBR Steering Group: 8/4/15
		Summit Group: 18/5/15

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# Opportunity Outline

*This document is to be used for all new ideas / initiatives as an initial assessment / scope*



**Title:** Remodelling Barbican Library

**Name of Business Sponsor** David Pearson and Ade Adetosoye **Directorate** Culture, Heritage & Libraries & Community and Children's Services

**Author of document** Carol Boswarthack **Date** 31 December 2014

<input type="checkbox"/> <b>Mandatory</b> <i>Compliance with Legislation, Policy and Audit</i>	<input checked="" type="checkbox"/> <b>Sustainability</b> <i>Essential for business continuity</i>	<input checked="" type="checkbox"/> <b>Improvement</b> <i>New idea / opportunity that improves or increases Service Levels</i>
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## Case for Change / Objective

*Explanation as to why the proposal has come about (e.g. Audit Requirement; new idea, Service Improvement; Business Plan).*

At the meeting of the Policy and Resources Committee held on 11 December 2014, Members received a report outlining transformation opportunities for Barbican and Community Libraries which included this proposal. They agreed a principle that ongoing transformation of the services be pursued and that further work on planning and costing this and other options should now take place.

## Opportunity Description

*What is the proposed solution you are putting forward, describe in 50 words (couple of sentences)*

The need to provide another primary school in the City on the Richard Cloudesley site and the related move of Adult Community Learning from the current COLCEC premises means that DCCS colleagues are now looking at options to provide more learning opportunities in other locations and the current lending libraries are being actively considered. At the same time, it has long been recognised that the configuration of Barbican Library is in need of modernisation in various ways. Any development in libraries would follow the Artizan Street model of a "Learning Zone" comprising teaching/learning space with PCs within a library/libraries. The benefit to the libraries would include income for hire of the space both from Adult Skills & Community Learning and private training providers, as well as a modern, more cost-efficient space to run. DCCS would also pay at least £50,000 for the capital cost of the classroom.

## Expected Outcomes

*What is the scope of what will be delivered*

This will entail removing the library counter/enquiry desk and installing two more self-service terminals. It will also entail installing a small enquiry desk, substantial cabling of the area to accommodate these terminals and the PCs within the classroom, and building and furnishing a classroom which will need to be adequately soundproofed and ventilated. Guaranteed annual income from Adult Education is estimated to be in the region of £12,500 p.a. . Reconfiguration of the Library would allow staff costs to be reduced (to be quantified). This will improve the facilities for a diverse range of users and reinvent the City's flagship lending library as a 21<sup>st</sup>-century multipurpose community space, with a wider range of activities. It will be a positive commitment by the Corporation to modernising and developing its services while making better use of space and resources.

## Impact Analysis

*What departments, teams and services are impacted and how*

<input type="checkbox"/> <b>In-Service</b>	<input checked="" type="checkbox"/> <b>Multiple Services</b>	<input type="checkbox"/> <b>Whole of Corporation</b>
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<i>Solely impacts the department</i>	<i>Impacts more than one department</i>	<i>Impacts all areas within City of London Corporation</i>
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**Details Culture, Heritage & Libraries, Community and Children's Services, City Surveyor, Chamberlains, HR. IS**

## Outline Costs

*Rough costs, for equipment, software, staff time, contractors*

<b>Description</b> The City Surveyor has provided an initial estimate of costs excluding teaching equipment (desk space for 12 pupils to accommodate IT and non-IT learning, 12 PCs and a teacher's station with electronic whiteboard – some of the teaching/learning equipment may be recycled from COLCEC); furniture (new enquiry desk and return bins for the self-service terminals); IT/data services (cabling, power and network points and labour); and IT equipment (2 self-service terminals). Further reconfiguration of library space will require the services of an external specialist consultancy for space planning.	<b>Estimated Cost</b>
<b>Library self-service – 2 units, return bins and maintenance contract</b>	£17,500
<b>Furniture and equipment for the learning space</b>	Tbc
<b>New enquiry desk</b>	Tbc
<b>IT/data services</b>	Tbc
<b>Building costs</b>	£250,000 - £350,000

## Potential Benefits

*Cashable and non-cashable benefits*

<b>Benefit Description</b>	<b>How you will measure the benefit</b>
Continuation of the provision of adult education classes	Attendance at CoL organised classes Customer satisfaction
Property savings (by relocating classes from a dedicated building to a library)	Savings achieved
Guaranteed income of £12,500 and potential to hire the space to private training providers	Income generated

## Budget / Funding Source Identified

*Will this be funded departmentally, corporately via capital budget request or a combination of both*

<b>Source of funds</b>	<b>Amount</b>	<b>Status</b>
<b>Departmental Budget</b>	£17,500 (CHL) and £50,000 (C&CS)	The departmental funding will come from projected underspends
<b>Additional Funding Required (Capital budget) / Grant</b>	£132,500 - £232,500 Plus costs for teaching equipment, furniture, IT/data services and IT equipment	
<b>Total</b>	£Tbc	N/A

## Resources / Delivery Team & Assurance

*What resources will be needed for delivery and the business areas*

Name	Role	Department
Carol Boswarthack	Head of Barbican and Community Libraries	CHL
Neal Hounsell	Head of Strategy and Performance	C&CS
Barbara Hamilton	Head of Adult Learning Service	C&CS
Geraldine Pote	Principal Librarian, Barbican Library	CHL
Jonathan Gibbs	IT and Operations Librarian	CHL
Mark Jarvis	Head of Finance	Chamberlain's
Annie Hilton	Business Partner	HR
Procurement staff		Chamberlain's
City Surveyor staff		CS
IS staff		IS
Library self-service provider		External

## Timescales

*Is there an inflexible timescale this is needed by? If yes then provide specific reasons. Or is it simply as soon as possible? What would the project milestones look like? E.g. Weeks 1-4, Preparation of project PID*

At present, the potential closure of the Richard Cloudsley site has not been confirmed. However, the funding identified from the departments would come from projected underspends in the current financial year, carried forward into the next financial year

## Risks

*Type = Project, Service, Corporate, Regulatory*

*Likelihood = High, Medium, Low*

*Impact = High, Medium, Low*

*Mitigating Plan = Proposed options to address the risk*

Description of Risk	Type	Likelihood	Impact	Mitigation Plan
Identified departmental part-funding is not available	Services	Low	High	Strict spending plans to ensure department stay within budget
Barbican specific factors (e.g. Building Regulations, listed building status, need to adequately ventilate and soundproof the classroom) make the project too difficult/too costly	Project	Medium	High	Good advice and accurate costing are needed from the City Surveyor. There is also an alternative site (Shoe Lane Library)
Barbican Library customers object to self-service and/or the inclusion of a classroom in library space. It is inevitable that some customers will not like the change and may choose not to use the library in future.	Service	Medium	Low	Customers will be fully informed on the need for change, regularly communicated to and wherever possible, consulted/involved
The building work may disrupt library users e.g. through closure of services and/or noise/limited availability of services etc.	Service	Medium	Low - medium	Accurate assessment of the time needed to complete the work from the City Surveyor
Inflexibility regarding working at certain times due to noise disrupting corporate bookings	Corporate	Medium	Medium	Good communication with the Barbican Centre's events team

within the Barbican Centre.				
Builders fall behind schedule	Corporate	High	High	A watertight contract with the builders to include appropriate penalty clauses and compensation is required.

### Assumptions

*What assumptions have been made whilst constructing this Opportunity Outline?*

Collaboration is the most efficient and effective method of delivering better outcomes for service users.

### Dependencies

*Is this opportunity dependent or linked to other projects or initiatives?*

The proposed new primary school for the City and the subsequent move of COLCEC

### For Mandatory/Compliance proposals only

*Is this opportunity dependent or linked to other projects or initiatives?*

Compliance Type	References	Penalty for non-compliance
Statutory / Regulatory		
Audit Recommendation		
Council Policy		
Contractual obligation		

### Authorisation

*This must be completed by the Author and the Senior Responsible Officer and Head of Department*

Name	Role	Date Approved
Carol Boswarthack	Head of Barbican and Community Libraries	7th January 2015
David Pearson	Director of Culture, Heritage and Libraries	7th January 2015
Ade Adetosoye	Director of Community and Children's Services	7th January 2015





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# Opportunity Outline

*This document is to be used for all new ideas / initiatives as an initial assessment / scope*



**Title:** Remodelling Shoe Lane Library

<b>Name of Business Sponsor</b>	David Pearson and Ade Adetosoye	<b>Directorate</b>	Culture, Heritage & Libraries & Community and Children's Services
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<b>Author of document</b>	Carol Boswarthack	<b>Date</b>	31 December 2014
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<input type="checkbox"/> <b>Mandatory</b> <i>Compliance with Legislation, Policy and Audit</i>	<input checked="" type="checkbox"/> <b>Sustainability</b> <i>Essential for business continuity</i>	<input checked="" type="checkbox"/> <b>Improvement</b> <i>New idea / opportunity that improves or increases Service Levels</i>
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## Case for Change / Objective

*Explanation as to why the proposal has come about (e.g. Audit Requirement; new idea, Service Improvement; Business Plan).*

At the meeting of the Policy and Resources Committee held on 11 December 2014, Members received a report outlining transformation opportunities for Barbican and Community Libraries which included this proposal. They agreed a principle that ongoing transformation of the services be pursued and that further work on planning and costing this and other options should now take place.

## Opportunity Description

*What is the proposed solution you are putting forward, describe in 50 words (couple of sentences)*

The need to provide another primary school in the City on the Richard Cloudesley site and the related move of Adult Community Learning from the current COLCEC premises means that DCCS colleagues are now looking at options to provide more learning opportunities in other locations and the current lending libraries are being actively considered. Any development in libraries would follow the Artizan Street model of a "Learning Zone" comprising teaching/learning space with PCs and an adaptable 'Multi Hall' for meetings, exercise/dance classes etc. within a library/libraries. A public toilet is also part of this project. The benefit to the libraries would be income for hire of the space both from Adult Skills & Community Learning and private training providers and dedicated space for children's activities and library talks/events. DCCS would also pay at least £50,000 for the capital cost of the rooms

## Expected Outcomes

*What is the scope of what will be delivered*

This will entail removing the library counters and security barriers, installing two self-service terminals plus return bins and rationalising approximately one quarter to one third of library stock in order to accommodate a 'Learning Zone' and a 'Multi Hall'. A public toilet will also be installed.

**This will improve the facilities for City workers and residents in this area and reinvent the Library as a 21<sup>st</sup>-century multipurpose community space, with a wider range of activities. It will be a positive commitment by the Corporation to modernising and developing its services while making better use of space and resources.**

## Impact Analysis

*What departments, teams and services are impacted and how*

<input type="checkbox"/> <b>In-Service</b> <i>Solely impacts the department</i>	<input checked="" type="checkbox"/> <b>Multiple Services</b> <i>Impacts more than one</i>	<input type="checkbox"/> <b>Whole of Corporation</b> <i>Impacts all areas within City</i>
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Details Culture, Heritage & Libraries, Community and Children's Services, City Surveyor, Chamberlains, HR

## Outline Costs

*Rough costs, for equipment, software, staff time, contractors*

Description	Estimated Cost
The City Surveyor has provided an initial estimate of costs excluding teaching equipment (desk space for 12 pupils to accommodate IT and non-IT learning, 12 PCs and a teacher's station with electronic whiteboard – some of the teaching/learning equipment may be recycled from COLCEC); furniture (folding chairs and tables and a screen for the multi-hall and return bins for the self-service terminals); IT/data services (cabling, power and network points and labour); IT equipment (2 self-service terminals) and a public toilet with disabled access.	
Library self-service – 2 units, return bins and maintenance contract	£17,500
Furniture and equipment for the learning space	Tbc
New enquiry desk	Tbc
IT/data services	Tbc
Building costs	c.£50,000

## Potential Benefits

*Cashable and non-cashable benefits*

Benefit Description	How you will measure the benefit
Continuation of the provision of adult education classes	Attendance at CoL organised classes Customer satisfaction
Property savings (by relocating classes from a dedicated building to a library)	Savings achieved
Guaranteed income of £12,500 and potential to hire the space to private training providers	Income generated
Provision of dedicated space for children's activities and library talk/events	Attendance at Stay & Play and Messy Play sessions Attendance at Library talks/events Income generation from library activities Customer satisfaction

## Budget / Funding Source Identified

*Will this be funded departmentally, corporately via capital budget request or a combination of both*

Source of funds	Amount	Status
Departmental Budget	£17,500 (CHL) and £50,000 (C&CS)	The departmental funding will come from projected underspends
Additional Funding Required (Capital budget) / Grant	Tbc	
Total	Tbc	N/A

## Resources / Delivery Team & Assurance

*What resources will be needed for delivery and the business areas*

Name	Role	Department
Carol Boswarthack	Head of Barbican and Community Libraries	CHL
Neal Hounsell	Head of Strategy and Performance	C&CS
Barbara Hamilton	Head of Adult Learning Service	C&CS

Leslie King	Principal Librarian, Community Libraries	CHL
Jonathan Gibbs	IT and Operations Librarian	CHL
Mark Jarvis	Head of Finance	Chamberlain's
Annie Hilton	Business Partner	HR
Deloitte staff		External
Procurement staff		Chamberlain's
City Surveyor staff		CS
IS staff		IS
Library self-service provider		External

## Timescales

*Is there an inflexible timescale this is needed by? If yes then provide specific reasons. Or is it simply as soon as possible? What would the project milestones look like? E.g. Weeks 1-4, Preparation of project PID*

At present, the potential closure of the Richard Cloudsley site has not been confirmed. However, the funding identified from the departments would come from projected underspends in the current financial year, carried forward into the next financial year

## Risks

*Type = Project, Service, Corporate, Regulatory*

*Likelihood = High, Medium, Low*

*Impact = High, Medium, Low*

*Mitigating Plan = Proposed options to address the risk*

Description of Risk	Type	Likelihood	Impact	Mitigation Plan
Identified departmental part-funding is not available	Services	Low	High	Strict spending plans to ensure department stay within budget
Shoe Lane Library customers object to self-service, reduction of library stock and/or the inclusion of a classroom in library space. It is inevitable that some customers will not like the change and may choose not to use the library in future.	Service	Medium	Low	Customers will be fully informed on the need for change, regularly communicated to and wherever possible, consulted/involved
The building work may disrupt library users e.g. through closure of services and/or noise/limited availability of services etc.	Service	Medium	Low - medium	Accurate assessment of the time needed to complete the work from the City Surveyor
Builders fall behind schedule	Corporate	High	High	A watertight contract with the builders to include appropriate penalty clauses and compensation is required.
Reduction of library stock will result in a reduction of income from fines and income-generating stock	Service	Medium	Medium	Substantial effort will be put into gaining maximum income from the hire of the spaces. As far as possible, income-generating library stock will be retained

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## Assumptions

*What assumptions have been made whilst constructing this Opportunity Outline?*

Collaboration is the most efficient and effective method of delivering better outcomes for service users.

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## Dependencies

*Is this opportunity dependent or linked to other projects or initiatives?*

The proposed new primary school for the City and the subsequent move of COLCEC

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## For Mandatory/Compliance proposals only

*Is this opportunity dependent or linked to other projects or initiatives?*

Compliance Type	References	Penalty for non-compliance
Statutory / Regulatory		
Audit Recommendation		
Council Policy		
Contractual obligation		

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## Authorisation

*This must be completed by the Author and the Senior Responsible Officer and Head of Department*

Name	Role	Date Approved
Carol Boswarthack	Head of Barbican and Community Libraries	7 <sup>th</sup> January 2015
David Pearson	Director of Culture, Heritage and Libraries	7th January 2015
Ade Adetosoye	Director of Community and Children's Services	7th January 2015



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<b>Committee:</b>	<b>Date:</b>
Efficiency and Performance Sub Committee	17 July 2015
<b>Subject:</b> Procurement Savings 2015-2016 progress report Quarter 1	<b>Public</b>
<b>Report of:</b> The Chamberlain	<b>For Information</b>
<b>Summary</b>	
<p>This report updates members on the savings realised at the end of quarter 1 (April – June 15) against the target and outlines the details of the overall target position for 2015-2016.</p> <p>City Procurement has achieved £2.03M at the end of June 15 compared to the target of £2.26M for this period but is at present projecting a positive end of year position of realised savings totally £8.75M against the 2015-2016 target of £8.25M.</p> <p>Members are asked to:-</p> <ul style="list-style-type: none"> <li>• Note the report.</li> </ul>	

## Main Report

### Background

1. City Procurement is set an annual savings target at the start of each year, this target is based on the contracts to be let during the financial year that have the potential to make efficiency or cost savings and contracts let in previous years that are generating guaranteed savings in the current year. Each contract is reviewed by the relevant Category Board to set the targets, each contract target considers historic spend, scope changes, complexity, risk and industry benchmarks before setting a target. The annual City Procurement target is the total realised cashable savings in-year to be derived from all previously let and new in-year contracts signed off by the 7 operating Category Boards. The 2015-2016 City Procurement target is £8.25M.

### The Annual Savings Target elements

2. The 2015-2016 annual savings target is set using two types of cashable in-year savings. Those are:
  - a. **Previously let contracts generating savings (known as run-rate)** – Savings already guaranteed for the current financial year from contracts let in previous years. This is for contracts that span different financial years and is typically for service contracts that are let for a 2-7 year period when the savings are spread across the contract life. This

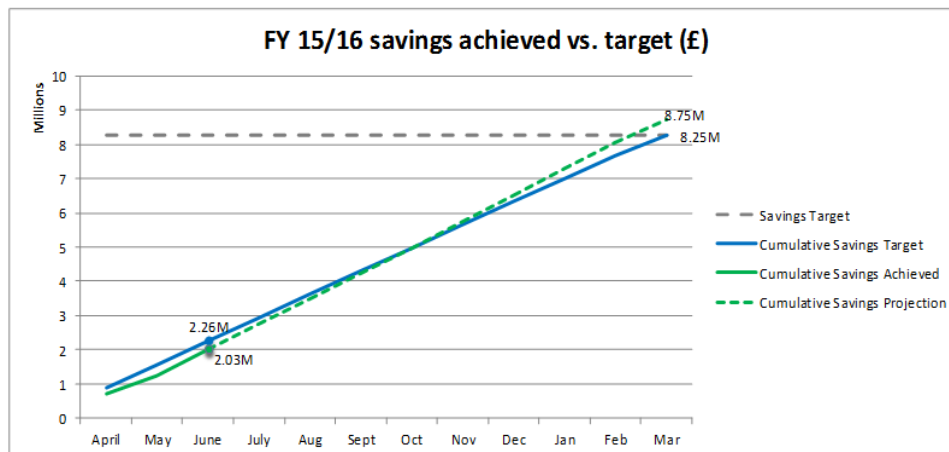
sustainable savings approach ensures savings are monitored and match the budgeted amounts.

- b. **New contracts let generating savings** – Savings targeted to be generated from new contracts let during the financial year, for note depending on when the contract is let, it may only generate a part years' saving, with a full annual saving not realised until the following financial year.
3. The savings targets are for competitive price savings and are not inclusive of scope changes/service downgrades or other operation decisions which are treated as local department savings.

### 2015-2016 Savings progress as end of Quarter 1 (June 15)

4. City Procurement has achieved £2.03M at the end of June 15 compared to the target of £2.26M for this period, the shortfall is due to savings certificates being outstanding for 5 procurement projects. In terms of the annual position City Procurement is projecting a positive end of year position of realised savings totally £8.75M against the 2015-2016 target of £8.25M as illustrated in the Figure A below. This projected position is reconciled on a monthly basis.

**Figure A**



### Corporate & Strategic Implications

5. City Procurement is working closely with the Heads of Finance and Category Boards to develop an Efficiency and Savings Process Manual that will outline all the different types of savings (cashable and non-cashable) and how such savings will be reported and treated in financial budgetary terms. The manual will be presented at Finance Committee for information later this year and adopted effective in financial year 2016-2017.

### Conclusion

6. City procurement is set an annual savings realised target at the start of each financial year, this targets has a due diligence process before sign-off and is derived from previously let contracts and new contracts to be let within the current financial year.

7. City procurement at the end of June 15 is £230k behind target in terms of savings realised but is projecting a positive end of year position of circa £500k above the annual savings target for 2015-2016 of £8.25M.

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