

<b>Committee(s):</b> Finance Committee – For information	<b>Date(s):</b> <b>21/05/2019</b>
<b>Subject:</b> Chamberlain’s Departmental Business Plan – Year-end Update	<b>Public</b>
<b>Report of:</b> Chamberlain	<b>For Information</b>
<b>Report author:</b> Matt Lock	

### **Summary**

This report provides Members with a year-end summary of delivery against the objectives and expected outcomes stated in the Chamberlain’s Business Plan for 2018/19. Progress was good, with most key milestones met according to anticipated timescales.

Key achievements in 2018/19 include:

- Development of the Medium Term Financial Plan against the challenging backdrop of financing the major projects
- Annual procurement savings secured totalling £6.74m.
- 95% completion of the IT Network Transformation.

Overall performance for the department was good with some Key Performance Indicators exceeding targets. There were a very small number of Key Performance Indicators that were not met which have been detailed below.

### **Recommendation(s)**

Members are asked to note the report.

### **Main Report**

#### **Background**

1. The Chamberlain’s Department Business Plan for 2018/19 was approved by Finance Committee on 10 April 2018. It is a requirement of the Corporate Business Planning Framework that business plan delivery update reports be provided to Committee on a quarterly basis. This report builds upon the good progress reported throughout the year and provides a year end summary of our performance against stated objectives.

## **Service Delivery and Key Improvement Objectives**

### **Finance**

2. A financing strategy has been developed for the Major Projects, including a green and sustainable private placement (borrowing) model. This, developed alongside the Medium Term Financial Plan, has identified a more significant challenge on the overall resources of the City Corporation than has been experienced in recent memory. We have worked closely with the Town Clerk to develop a model to assess the value and effectiveness of services provided by the organisation through the Fundamental Review, taking place in early 2019/20.
3. Good progress has been made to bring forward the process for preparing the financial statements, working towards a draft set of City Fund accounts by 1st May. We are on track to have this complete for all activity other than capital, a number of learning points have been identified which will inform a second phase of the faster closing project to be delivered in 2019/20.

### **IT**

4. Network Transformation was 95% completed within 2018/19, with a few sites remaining where permits were required from TfL to excavate the highway, these will be completed by the end of May 2019.
5. End user satisfaction continues to improve as colleagues become more familiar with the range of new functionality available through Office 365, tracked through satisfaction surveys. The success of IT transformation is evidenced by growing user adoption across applications.
6. The IT team received at the Local Government Chronical Awards Ceremony a highly commended award in the Digital Impact (Digital Council) of the year category. We were the only public sector organisation in this category to get this recognition. This award recognises the contribution being made for Digital working both internally and externally.

### **Commercial**

7. Interventions in Corporate contracts by the Commercial Contract Management Team (CCM) have delivered confirmed in-year savings amounting to £1.7m across 17 projects. The total of the contracted savings across these projects amounts to £3.3m throughout these contracts' lifecycles. These projects have included service rate reductions realised through non-contractual benchmarking activity; service charge credits through specification realignment to match current needs; and successful commercial negotiation of contractual disputes.
8. The Commercial team has prepared a learning programme focussed on Commercialism in the Supply Chain. This purpose of this learning programme is to raise awareness of the principles of commercialism amongst non-procurement colleagues, so that these colleagues can contribute constructively, through their daily duties towards achieving best value from contracted provisions. This will be delivered in three sessions across June, July, and August 2019. These live

sessions will be recorded with a view to developing an online e-Learning module that will be made available to all officers.

### **Delivery against Key Performance Indicators**

9. The Chamberlain's Performance Scorecard is shown as Appendix 1 to this report. This shows good performance across the range of KPIs in place. The following points are highlighted:
  - Accounts Payable Invoice Turnaround – the target for SME (10 day) of 84% has been exceeded by 3%. There is a slight dip in performance against the 30 day payment target, although it should be noted that this is a stretch target above industry standard. The dip relates to an increased focus on year end activity working towards our strategic priority for faster closing of the accounts.
  - % of Invoices Received Electronically – performance against this target continues to improve as the team work with suppliers, although still short of the target of 80%. This will remain as an improvement objective in 2019/20 and is a key contributor to the efficiency of the Accounts Payable team.
  - The procurement savings target of £6.52m has been exceeded at £6.74m.
  - IT service availability is consistently high.
  - The target for delivery of the Internal Audit Plan for 2018/19 has been almost achieved (92% against a target of 96%), despite earlier challenges and delivery consistently below the target profile for much of the year.
  
10. We did not undertake our annual departmental customer survey this year as there is a corporate wide review of internal customer service with the objective of bringing about greater consistency and standardisation across departments. This will include customer survey and so we deferred our own to avoid duplication, the Corporate Staff Engagement Survey also included some degree of customer survey although not to the same level of granularity.
  
11. Similarly, we did not undertake our own staff survey in 2018/19 in light of the Corporate Staff Engagement survey. The Chamberlain's department had an excellent response rate, the highest in the organisation, the results show that we continue to have good engagement yet with scope to improve further in relation to communication and dissemination of information, getting more out of the performance management framework and change management.

### **Conclusion**

12. Members are asked to note the successful delivery of the Chamberlain's Department Business Plan for 2018/19, the significant majority of activities having been delivered in accordance with stated expectations.

### **Appendices**

- Appendix 1 – Chamberlain's Department Scorecard

## **Background Papers**

- Report to Finance Committee 19/02/2019: Chamberlain's Business Plan – Quarter three Update
- Report to Finance Committee 13/11/2018: Chamberlain's Business Plan – Half Year Update
- Report to Finance Committee 18/09/2018: Chamberlain's Business Plan – First Quarter Update
- Report to Finance Committee 10/04/2018: Chamberlain's Business Plan 2018/19

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