

<b>Committee:</b> Finance Committee	<b>Date:</b> 23 July 2019
<b>Subject:</b> Public Report of the work of the Sub-Committees	<b>Public</b>
<b>Report of:</b> Town Clerk	<b>For Information</b>
<b>Report author:</b> John Cater, Town Clerk's Department	

### **Summary**

On 19 July 2016, the Finance Committee agreed that, in addition to draft minutes of Sub-Committee meetings, short reports be provided to advise the Committee of the main issues considered by the Sub-Committees at recent meetings. This report sets out some of the main public issues considered by the following Sub Committees since 18<sup>th</sup> June 2019:

#### **Corporate Asset Sub-Committee – 11 July 2019**

The City Surveyor presented an update on the Guildhall complex and Walbrook Wharf current and re-prioritised future major works arising from the Forward Maintenance Plans.

These works sit outside the Cyclical Works Programme (CWP) of minor works and were taken from the 20 year Forward Maintenance Plans. The works were required to address the upkeep of cyclical works and the backlog of deferred works (Guildhall complex currently at £13.6m), and ensure the operational assets remain in a good, safe and statutory compliant condition, as outlined in the Corporate Property Asset Management Strategy 2017/18.

The Sub Committee decided to approve the current prioritisation of major projects that were recommended to proceed set out in Appendix 1 with an estimated project value of £17.59m, including 20/21 Aldermanbury building refurbishment, Walbrook Wharf electrical infrastructure upgrade and St Lawrence Jewry Church refurbishment, with one project deferred; and defer a decision on future major works with an estimated total cost of £10.52m pending further clarification of resource allocation priorities.

#### **Efficiency & Performance Sub-Committee – 2 July 2019**

The Chairman proposed that, given the ongoing discussions around the Fundamental Review, the agenda for the E&P session scheduled on 13<sup>th</sup> September could be altered to incorporate an in-depth discussion for Members outlining the FR's implications across departments and services.

The usual specific departmental reports from Chief Officers would return for the following meeting in November.

#### **Digital Services Sub-Committee – 5 July 2019**

IT currently holds 2 risks on the Corporate Risk Register, whilst feeding in to the GDPR Corporate risk which is owned by Comptrollers.

## Summary of the Corporate Risks

CR 16 (AMBER) – Information Security - Following review with A&R Committee and DSSC, it was agreed that further steps were required to achieve maturity level that could bring the score to its target

CR 25 – GDPR Regulation Compliance (AMBER) – Will continue to be monitored following the closure of the formal project.

CR 29 – Information Management (AMBER) – The Information Management strategy has been agreed subject to a more detailed action plan and metrics to track performance. Progress is being made in developing a draft retention and disposal policy.

### **Procurement Sub-Committee – 10<sup>th</sup> July 2019**

City Procurement currently has four departmental AMBER risks (there are currently no RED risks). These are:

#### **CHB CP001 – Brexit risk to City Corporation procurement and supply chains (Departmental Level - Current Risk: Amber)**

City Procurement liaised with key partners across the London Procurement Network and Home Office to create a consistent approach to assessing risk of key service categories, as well as key suppliers. An approach to key suppliers to request their mitigation plans in relation to Brexit will be conducted at the appropriate time [when we know more regarding Britain's exit date]. There have been no substantial changes or actions take for this risk since the last update.

#### **CHB CP004 – City accelerate delays and impact on income levels (Service Level - Current Risk: Amber)**

City Procurement, in conjunction with our commercial partner, recently reviewed how the City Accelerate was assessed as part of the tender process. Standard procurement documents have been updated to assess participation in City Accelerate and other commercial offerings as part of commercial evaluation. Any discounts or rebates will be accounted for and the net price used to score bidders. This keeps the scheme voluntary, rewards participation but allows flexibility for our bidders. The Commercial Contract Manager assigned to review the programmed will continue to monitor participation.

#### **CHB CP005 – Impact on procurement resources (Service Level - Current Risk: Amber)**

City Procurement continues to see an increase in unplanned procurements and with key vacancies in the team this is causing additional pressure on City Procurement. This risk is being managed and recruitment for key posts continues. A conditional offer for the Assistant Director of Sourcing and Category Management has been extended and there are number of adverts live or about to commence interviews.

#### **CHB CP003 – VAT loss through use of Purchase Cards (Service Level - Current**

**Risk: Amber)**

City Procurement have long monitored VAT recovery as part of our duties administering purchase cards (P-cards). It is also part of each Chief Officer's quarterly P-card report of which results are reported to Procurement Sub Committee. The quarter three results went to the last Procurement Sub Committee with comments from two of the top departments for potential VAT loss. We are still seeking clarification from the City of London Police. City Procurement, along with Lloyds Bank (our P-card supplier), continue to review the potential to import data for Level 2 and Level 3 suppliers which would negate the need for a VAT receipt. This contract ends May 2020. The Head of Accounts Payable will set up a working group to discuss VAT import data and other lessons learned in advance of specification writing for the new contract.

**Recommendations**

The Committee is asked to note the report.

**John Cater**

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