

<b>Committee:</b>	<b>Date:</b>
Policy and Resources	<b>23<sup>rd</sup> January 2020</b>
<b>Subject:</b> Departmental Budget Estimates and high-level summary Business Plan 2020-21 – Policy and Resources Committee	<b>Public</b>
<b>Report of:</b> Town Clerk, Remembrancer and Chamberlains	<b>For Decision</b>
<b>Report author:</b> Laura Tuckey - Chamberlains Sarah Blogg – Town Clerks	

### Summary

This report presents for approval the budget estimates and final high-level summary Business Plan for the departments within the Policy and Resources Committee for 2020-21.

### Recommendation

Members are asked to:

- i) review and approve the Town Clerks, Remembrancers and Culture Miles Department's proposed revenue budget for 2020-21 for submission to Finance Committee,
- ii) review and approve the Corporate & Members Services, Communications, Innovation & Growth and Remembrancers Department's proposed capital and supplementary revenue projects budgets for 2020-21 for submission to Finance Committee,
- iii) authorise the Chamberlain, in consultation with the Town Clerk and Remembrancer to revise these budgets to allow for any further implications arising from Corporate Projects, other reviews and changes to the Cyclical Works Programme;
- iv) agree that minor amendments for 2019-20 and 2020-21 budgets arising during budget setting be delegated to the Chamberlain,
- v) note the factors taken into consideration in compiling the Corporate & Members Services, Communications, Innovation & Growth and Remembrancers Department's Business Plan, including efficiency measures,
- vi) approve, subject to the incorporation of any changes sought by this Committee, the final high-level summary Business Plans for 2020-21.

### Main Report

#### Background

1. As part of the new framework for corporate and business planning, departments were asked to produce standardised high-level, 2-side Business Plans for the first time in 2017 for the 2018-19 year. Members generally welcomed these high-level plans for being brief, concise, focused and consistent statements of the key ambitions and objectives for every department.

2. For 2020-21, the high-level summary Business Plan has been further evolved to make use of the information now available and give a better overview of how the department's work contributes to the Corporate Plan. It provides an overview of departmental activity and resources, mainly but not limited to the forthcoming 12 months, including capital and revenue projects. As a high-level summary, this document does not capture the granularity of departmental work but gives the overall picture of departmental activity, customer feedback, trends where applicable and direction of travel.
3. For the first time in 2020-21, high-level summary Business Plans are being brought forward alongside budget estimates, pending full integration of the processes for 2021-22, to inform medium-term financial planning and the development of spending priorities. This report therefore presents the budget estimates and draft final high-level summary Business Plan together as appendices.

### Departmental budget estimates for 2020-21

4. This report presents, in Appendix 1, the revised budget estimates for 2019-20 and the original budget estimates for 2020-21 for the Policy and Resource's Committee. A breakdown per division of service is shown in the table below.

	Original Budget 2019-20	Latest Approved Budget 2019-20	Proposed Original Budget 2020-21	Movement 2019-20 original To 2020-21
	£000	£000	£000	£000
<b>By Division of Service</b>				
Community Safety and Resilience	944	1,068	920	(24)
Communications	2,219	2,387	2,358	139
Innovation & Growth	5,215	7,378	6,703	1,488
Grants and Contingencies	5,117	9,571	6,311	1,194
Culture Mile	1,580	1,784	1,000	(580)
Remembrancer	6,814	7,127	7,513	699
Town Clerks Charities	0	125	164	164
<b>Division of Service Totals</b>	<b>21,889</b>	<b>29,440</b>	<b>24,969</b>	<b>3,080</b>

### Proposed Revenue budget for 2020-21

5. The Policy and Resource's Committee's Summary Budget, which will be published as part of the City of London Corporations Budget Book, can be found in Appendix 2.
6. Overall there is an increase of £7.551m between the Committee's original and latest budget for 2019-20, a full breakdown of which can be found in Appendix 3. The main reasons for this movement are explained by the variances set out below with any balances relating to changes in recharges for central services:
  - Grants and Contingencies has increased by £4.454m due to; Contingency Fund carry forwards totalling £3.129m (£1.970m Brexit Contingency Fund, £450k P&R Project Reserve establishment, £429k Policy Initiative Fund and £280k P&R contingency); £667k budget uplift for the establishment of the Green Finance Institute; agreed funding of £300k towards Heart of the City;

£100k budget uplift for CityUK; £70k due to the implementation of the trial internal legal trading account; £55k of carry forwards funded from 2018-19 underspends and reprioritisation of Future London budgets of £50k.

- Innovation and Growth budgets have increased by £2.163m due to; £1.800m budget uplift (agreed in December 2018) to strengthen work on global competitiveness; £175k for Climate Action which is funded from underspends from Open spaces and Built Environment (this amount is ringfenced for Climate Action activities and is only included in IG budgets temporarily until the monies are spent/a more appropriate budget location is found); £120k carry forwards funded from 2018-19 underspends, £62k of approved PIP bids and £8k relating towards pay awards.
- Remembrancer's Department budgets have increased by £313k mainly due to changes in capital charges and recharges as well as £14k of increases being attributable to pay awards and £3k relating to internal legal fee budgets.
- Culture Mile Budgets have increased by £204k due to agreed carry forwards funded from 2018-19 underspends.
- Communications have increased by £168k due to a budget uplift of £80k for sports engagement, a £40k budget uplift for revenue costs relating to the new website capital project and £19k relating to pay awards.
- Town Clerks Charities has had a budget of £125k established in 2019-20 from contingencies/reserves.
- Community Safety & Resilience have increased by £124k due to; agreed carry forwards funded from 2018-19 underspends of £85k; £30k budgetary uplifts to fund the CoL's payments into the London Pan Resilience Fund; a £23k budget uplift for a PIP bid; a £20k budget uplift towards a Strategic Security Advisor post and £2k relating to pay awards.
- Increases in Support Services of £589k due to increases in central support costs (a proportional share of the Guildhall complex costs, centralised department costs and IS charges).

7. The 2020-21 proposed revenue budget totals £23.917m, an increase of £3.080m compared with the original 2019-20 budget. A full breakdown of the changes between the original 2019-20 and original 2020-21 budget can be found in Appendix 4. The main reasons for the variances are set out below with the balance relating to changes in recharges for central services:

- Innovation and Growth budgets have increased by £1.488m due to; a £1.800m budget uplift (agreed in December 2018) to strengthen work on global competitiveness; £250k of agreed fundamental review savings and the removal of £45k Priority Investment Pot (PIP) funding from base budget as the projects have concluded.
- Grants and Contingencies has increased by £1.194m due to; £667k budget uplift for the establishment of the Green Finance Institute; £405k Policy and Resources Project Reserve (moved from Projects sub-committee's contingences); £100k budget uplift for CityUK; £70 due to the implementation of the trial internal legal trading account and reprioritisation of Future London budgets of £50k.
- Remembrancers budgets have increased by £699k due to changes in capital charges and recharges as well as an increase of £175k relating to a

previously approved post which has only just had the funding approved. There are also internal legal fees budgets established of £4k.

- Culture Mile has decreased by £580k due to the original funding agreement lapsing and the renewed funding agreement for £1mil being agreed in December 2019.
- Town Clerks Charities has had a budget of £164k established in 2019-20 from contingencies/reserves.
- Communications have increased by £139k due to a budget uplift of £80k for sports engagement and a £40k budget uplift for revenue costs relating to the new website capital project.
- Community Safety and Resilience have decreased by £24k due to; £30k budgetary uplifts to fund the CoL's payments into the London Pan Resilience Fund; a £20k budget uplift towards a Strategic Security Advisor post and the removal of £35k PIP funding from base budget as the projects have concluded.
- Increases in Support Services of Support Services £739k due to increases in central support costs (a proportional share of the Guildhall complex costs, centralised department costs and IS charges).

### Staffing Statement

8. A summary of the employee related costs and FTEs by department are shown in the table below.

Staffing statement	Latest Approved Budget 2019-20		Original Budget 2020-21	
	Full-time equivalent	Estimated Cost £000	Full-time equivalent	Estimated Cost £000
Town Clerk	124.4	8,217	125.9	9,145
Remembrancer	15.5	1,059	15.5	1,218
<b>TOTAL</b>	<b>139.9</b>	<b>9,276</b>	<b>141.4</b>	<b>10,363</b>

9. Change in Town Clerks FTEs is due to the vacancies arising during 2019-20. It is expected that vacant posts will be filled for 2020-21. Although there is now currently a recruitment freeze which may impact on the expected 2020-21 FTE position. The increases in costs is due to the assumption of increased salary costs as staff progress up their grades also the estimated 2019-20 salaries may be lower than forecasted now due to the recruitment freeze.
10. While there are no changes to Remembrancers FTEs the budget has increased to reflect increased funding for a previously agreed post which has just had the funding approved.
11. A breakdown of staffing costs and FTE by division of service can be found in Appendix 5

### Draft Capital and Supplementary Revenue Project budgets for 2020-21

12. The latest estimated costs for the Committee's current capital and supplementary revenue projects are summarised in Appendix 6.
13. Pre-implementation costs comprise feasibility and options appraisal expenditure which has been approved in accordance with the project procedure, prior to authority to start work.
14. It should be noted that the above figures exclude:
  - the implementation costs of the St Lawrence Jewry Church project which has yet to reach authority to start work stage; and
  - forecast expenditure on the major projects (Fleet Street Estate redevelopment, Centre for Music, Museum relocation and Markets consolidation) which are subject to separate governance and consideration as part of the medium term financial plans.
15. The latest Capital and Supplementary Revenue Project forecast expenditure on approved schemes will be presented to the Court of Common Council for formal approval in March 2020.

#### **Draft final high-level summary Business Plan for 2020-21**

16. This report presents the draft final high-level summary Business Plan for 2020-21 for the Town Clerks Communications (Appendix 7), Town Clerks Committee and Members Services (Appendix 8), Town Clerks Innovation and Growth (Appendix 9) and the Remembrancers Department (Appendix 10).
17. The Community Safety Team will have three key priorities: to help reduce and prevent crime; improve responses to Anti-Social Behaviour and delivery of the Prevent strand of the Counter Terrorism strategy.
18. Corporate Strategy and Performance Team's (CSPT) top priority is building and populating the Corporate Performance Framework so that we can assess and compare the impact of all our work on the outcomes in the Corporate Plan and better inform resource allocation decisions over time.
19. The Committee and Member Services Team promotes high standards of governance throughout the organisation by supporting the decision-making process and providing democratic and Member related services.
20. Innovation and Growth (IG) will be looking to accelerate growth through FPS innovation and use of technology, boosting UK competitiveness through an attractive business environment, maximising UK FPS firms' global access to markets, promoting the UK's world-leading FPS offer in key markets and cultivating strong relationships with key stakeholders.
21. This is because London's position as a global centre for financial and professional services is challenged as never before. Be it Brexit, technological change, the pivot East or new expectations of business, Britain will need to adapt and innovate to succeed. The City Corporation sees these challenges as opportunities to be

embraced in a rapidly changing global environment. Innovation and Growth plays a pivotal role in supporting a thriving economy as we anticipate and lead change to maintain London's and the UK's status as a global leader.

22. IG will be reducing some of its activity on work such as the international promotion programme and work with non-priority markets. CSPT will be doing less in the way of developing and implementing strategies and instead focus on providing expert advice.
23. The Committee and Member Services Team no longer provides dedicated policy support to the Livery Committee. For 2020, other activities will depend on the outcome of a review of the organisation's governance arrangements.
24. The Corporate Programme Office is producing central guidance on project management, developing corporate programme reporting and working on the formation of the Project Management Academy. The Corporate Programme Office is not stopping anything but looking to digitise services where possible, i.e. programme reporting, so officers can access self-service dashboards online. It will seek to integrate Oracle with the new project management software for consistent financial reporting and with the new Azure data integration platform for BI and analytics.
25. Any changes proposed through the Fundamental Review will have implications for governance, therefore a comprehensive review of the City Corporation's governance arrangements is being undertaken in parallel. The aim of the review will be to incorporate best practice and ensure that the organisation's decision-making function is efficient, effective and fit for purpose. In addition, the proposed smarter working IT project being managed by the Chamberlain's Office will enable Members and officers to save time by allowing some meetings to be accessed remotely. There should also be scope to record committee meetings, creating even greater efficiencies.
26. CSPT has streamlined its activities to achieve efficiencies and, as well as providing Business Intelligence expertise and advice, is now providing expert advice on stakeholder research and consultation so that the impacts on stakeholders of changing our services can be monitored, predicted and used to inform resource allocation decisions.
27. A departmental restructure has allowed IG to evolve its approach from corporate social responsibility to Environment, Social and Governance (ESG), focusing on investment metrics that channel finance to businesses pursuing sustainable growth strategies.

IG's 20/21 budget has changed in two ways, members identified a 3% saving following the initial Fundamental Review outcomes. An additional 4% of funds being "ringfenced" to support the City Corporation's public affairs engagement.

As mentioned above, Members asked for Innovation and Growth budget to be uplifted last year by £1.8m to strengthen work on global competitiveness. This uplift has been reduced by £295k - £250k of fundamental review savings and the

removal of £45k Priority Investment Pot (PIP) funding from base budget as the relevant project concluded

28. As outlined in the two page high level business plan, the Communications Team coordinate and oversee all print, broadcast and digital communications of the City Corporation. We implement and oversee our corporate affairs programme. We publish a wide range of material. We act as a point of contact for filming in the City.

We have reduced overall think tank engagement and private roundtables for budgetary reasons. We are looking at developing an email database for residents that could reduce costs on City Resident magazine.

By working with an established Film Location Agency we aim to standardise procedures, market our locations and increase income from filming into the Corporation. Our new website launches in Summer.

29. CSPT has delivered savings for 2020/21 through reducing its headcount. Expertise in stakeholder research and consultation will help ensure that the City Corporation complies with the Public Sector Equality Duty.
30. In terms of PSED, the recording and possible live streaming of meetings could make the decision-making process more accessible to people with protected characteristics, more transparent and, in so doing, foster better relations with the City's resident community.
31. The priorities for HR within Town Clerks are to support the organisation through the changes which result from the fundamental review. This support is both direct to departments, in their specific changes and in pan-organisational change. We have established a change team, supplemented by an organisational development panel which supports restructures, and implemented revised policies and guidance. The HR Roadmap to change includes the development of a service desk facility to track requests, reduce response times and ultimately review the resources required. Other priorities include trialling Service Level Agreements, a pay and reward review; specifically contribution pay, and the continued support from the Learning and Organisational development team in the 'fit for the future' programme.
32. In 2020/21 there are no plans to stop any current service but to seek more and more efficiencies in the operating model, by exploring further use of self service and automation and through greater collaboration with other services. With a view to this the current Midland system (iTrent) will be reviewed in the first part of 2020 to assess the viability and possible efficiencies of a joint Finance and HR/Payroll system (ERP) or other options. We will be forging closer day to day working practices with our institutions' HR teams. We plan to address certain key issues which have emerged from the Staff and Pulse Surveys and which can be analysed from the HR dashboard. Turnover in the first year is a concern as is the level of stress related sick absence. The pay gaps and our targets for senior women in management roles also need to be addressed and we will progress delivery of the Equality & Inclusion Action Plan in relation to employment.

33. The Remembrancer's Office Parliamentary work will respond to the changes arising from the UK's imminent departure from the EU. This will give rise to a continuing requirement for close engagement with Parliament as Brexit-related legislation is considered. The planned introduction of a Markets Bill will be a substantial programme of work in the forthcoming year.
34. In light of the changing circumstances following Brexit, work to increase the soft power impact of City hospitality will be undertaken, including enhancing, in collaboration with Innovation and Growth and Mansion House, engagement with the London Diplomatic community.
35. Proposals to increase income obtained from private lettings of Guildhall have been considered as part of the fundamental review. These will be taken forward and it is expected will deliver significant increases in income generated. A review of the costs of providing the Guildhall and ancillary spaces for private hire is currently under way. This will improve transparency and recovery of costs, and lead to greater efficiency.

### **Corporate & Strategic Implications**

36. The Remembrancer's Office safeguards the constitutional position of the City of London Corporation and in so doing, supports all of the outcomes in the Corporate Plan either through its parliamentary activity or through its City hospitality programme.

### **Security implications**

37. There are currently no Security Implications identified as a result of the business plans and budgets.

### **Financial implications**

38. Finance Committee and the Court of Common Council agreed that a 2% savings target based on the Original 2019-20 net local risk budgets should be made by all departments in their 2020-21 local risk budgets. This amounts to £187,000 for the Town Clerk's Department and £24,000 for the Remembrancers Department. However, this is offset by a 2% inflationary increase of the original 2018-19 net local risk budget of £187,000 for the Town Clerk's Department and £24,000 for the Remembrancers Department.
39. The Town Clerk's Department and Remembrancers' Department budgets have been prepared in accordance with guidelines agreed by the Policy & Resources and Finance Committees.

### **Public sector equality duty**

40. There are currently no Public Sector Equality Duty Implications identified as a result of the business plans and budgets.

### **Resourcing implications**



41. There are currently no Resourcing Implications identified as a result of the business plans and budgets.

## **Conclusion**

42. This report presents the budget estimates and final high-level summary Business Plan for 2020-21 for the Town Clerks and Remembrancers Department for Members to consider and approve.

## **Appendices**

- Appendix 1 – Budget estimates 2020-21 summary
- Appendix 2 – Committee Summary Budget – by risk, Fund and Chief Officer
- Appendix 3 – Original Local Risk 2019-20 budget to Latest Approved 2019-20 Local Risk Budget
- Appendix 4 – Original 2019-20 Local Risk Budget to Original Local Risk 2020-21 budget
- Appendix 5 – Staffing Statement by Division of Service
- Appendix 6 – Capital and Supplementary Revenue Project budgets
- Appendix 7 – Final high-level summary Business Plan 2020-21 – Town Clerks Communications
- Appendix 8 – Final high-level summary Business Plan 2020-21 – Town Clerks Committee and Member Services
- Appendix 9 – Final high-level summary Business Plan 2020-21 – Town Clerks Innovation and Growth
- Appendix 10 – Final high-level summary Business Plan 2020-21 – Remembrancers

### **Laura Tuckey**

Senior Accountant - Chamberlains

T: 020 7332 1761

E: [laura.tuckey@cityoflondon.gov.uk](mailto:laura.tuckey@cityoflondon.gov.uk)

### **Sarah Blogg**

Business Manager – Town Clerks

T: 020 7332 1982

E: [sarah.blogg@cityoflondon.gov.uk](mailto:sarah.blogg@cityoflondon.gov.uk)

### **Margaret Pooley**

Support Service Manager - Remembrancers

T: 020 7332 1204

E: [Margaret.pooley@cityoflondon.gov.uk](mailto:Margaret.pooley@cityoflondon.gov.uk)