

Key updates from this quarter

- Close down for 2022/23 City Fund and Bridge House Estates is complete.
- Recruitment into key roles has continued, focusing on bringing in new talent as well as providing internal opportunities through lateral development and progression.
- Interims recruited and bought up to speed - to fill in the gaps until permanent positions are recruited to.
- Departmental Star Chamber meetings were completed ahead of the RASC away day which provided a better understanding on how cost pressures will be tackled during 2023/24, how outstanding permanent savings targets will be met as well as the opportunity to discuss risks and opportunities.
- Update on five-year medium term financial plan for the City Fund and City's Cash and new challenges identified at the Star Chamber meetings presented to Members at the RASC away day.
- Good progress made on the Operational Property Review including understanding the financial position which was also presented to Members at the RASC away day.
- Chamberlain's and City Surveyor's work on major projects funding strategy, first draft presented at RASC away day.
- Monthly financial reporting on major projects programme in place.
- City Fund audit 2020/21 and 2021/22 continues.
- Introduction of quarterly revenue monitoring – risk-based budgeting under development.
- ERP progressed to procurement stage.

Challenges faced over this quarter

- Continued delay to signing off City Fund accounts, 2020/21 and 2021/22, due to infrastructure issue has led to additional workload arising from outstanding audit, over and above closing 2022/23 accounts.
- Interim/new permanent appointments have needed time to get up to speed, particularly where permanent staff have moved on and there is a lack of handover/procedure notes.
- Recruitment challenges across finance sector - employees market where the interim market is more lucrative (shift from permanent to interim market).
- Inflationary pressures need careful monitoring and risk management accounting continues.

Plans for the next quarter (Q2)

- Financial Services Director continues to focus on 3 key priorities - 1) Well being of staff; 2) Recruitment; 3) Getting the basics done.
- Hand over to Assistant Director of Strategic Finance who joins the Financial Services Division at the end of July.
- Close down for 2022/23 City's Cash and Sundry Trusts.
- Continue Audit work for City Fund 2020/21, 2021/22, plus commencement of 2022/23 audit for City Fund, City's Cash and Sundry Trusts.
- Budget setting for 2024/25 commences.
- Continuation of recruitment campaign.
- Continued work on Operational Property Review and income generation.
- Chamberlain's and City Surveyor's work on major projects funding strategy continues to be developed.
- Appointment of ERP supplier and data cleansing strategy to be implemented.
- Forward plan, including transformation programme to be reviewed and reprioritised, including progress with H Drive migration to SharePoint.
- Continue work with Corporate Treasury and new CIO function (Stanhope) in developing a longer term robust cashflow.

Changes to our Business Plan priorities

- No changes to business plan priorities.

Key updates from this quarter

- Annual billing for Council Tax and Business Rates went well.
- Collection rates have increased for Council Tax and Business Rates.
- A credit audit is underway to review historic credit notes.
- All power and gas invoices have now been fully automated reducing manual processing.
- Energy Bill Support Scheme and Alternative Funding scheme delivered.

Challenges faced over this quarter

- Implementation of the 2023 valuations on business rates has gone well.
- Difficulty in extracting system information to enable the digitalisation of Housing Benefit paper files.
- New Housing Benefit System tender process completed.
- New Property Management System, Horizon is being tested.

Plans for the next quarter (Q2)

- Launch of third-party solution to automate more invoices.
- Implementation of a new Housing Benefit System rolling into the Capita Cloud and aligning with Revenues Systems.
- Digitalisation of Housing Benefit paper files.
- Launch of new online Charitable Relief application form.
- Replacement Income Manager system go live (October 2023).
- Council Tax and Business Rates E-billing and DD automation (AUDDIS) projects underway.

Changes to our Business Plan priorities

- No changes to business plan priorities.

Key updates from this quarter

- Continued testing in preparation of Member Self Service for the Pensions Administration system.
- Insurance renewals due June 2023 all successfully in place.
- Liaison with Civica consultants on the system configuration of the new Income Management system (CivicaPay).
- Testing on interfaces between Income Manager (PARIS) and the Property Management System (Horizon) following remediation work by MRI Consultants.
- Preparation of draft Pension Fund Annual Report and accounts; sundry trust accounts and relevant entries and disclosures for Bridge House Estates and City's Cash for the year ended 31 March 2023.

Challenges faced over this quarter

- Maintaining appropriate liquidity in light of the pace of potential spend on the major projects.
- Dealing with last minute additional audit queries around the 2021/22 accounts (City Fund).

Plans for the next quarter (Q2)

- Final user acceptance testing followed by the implementation and roll out of Member Self Service for the Pension Administration system.
- Production and distribution of the 2023 Annual Benefit Statements.
- Complete work on the Partial Exemption calculation for 2022/23.
- Progress H Drive migration to SharePoint and dealing with any issues which may arise from this.
- Commence exposure data collation for the December 2023 Insurance renewals.
- GL Testing to begin on the new Property Management system (Horizon) and begin user acceptance testing of the new Income Manager system (CivicaPay).
- Liaison with MRI Consultants on the configuration of interfaces between Horizon and CivicaPay.
- Continuing collaboration with Corporate Accountancy, Stanhope (CIO function) and 31Ten consultancy in developing a longer term robust cashflow in light of the spend on Major Projects.

Changes to our Business Plan priorities

- No changes to business plan priorities.

Key updates from this quarter

- Internal Audit Apprentices made excellent progress.
- External validation (EQA) against the Public Sector Internal Audit Standards initiated, completion estimated at end of June.
- Recruitment campaign initiated for Principal Auditor and Senior Auditor posts.

Challenges faced over this quarter

- Capacity challenges following resignation of a team member.
- Completion of Corporate Risk Assurance reviews has been deferred to enable completion of other planned assurance work.
- High profile work has required significant time commitment from Head of Internal Audit.

Plans for the next quarter (Q2)

- Completion of recruitment.
- Implementation of K10 Vision (a new audit management application).
- Finalisation and launch of the 2nd generation PowerBI Internal Audit Dashboard.

Changes to our Business Plan priorities

- No changes to business plan priorities.

Key updates from this quarter

- Gross profit generated by the CHB Court shop has increased by 62% compared to Q1 2022/23.
- Number of freedom applications processed has increased from 434 in Q1 2022/23 to 449 in Q1 2023/24.
- Continuously received very positive feedback from guests and participants of freedom ceremonies (40 commendations).
- Produced a departmental communications plan to improve staff and stakeholder engagement.
- Launched the CHB Learning & Engagement Board to drive the department's learning objectives and improve the quality of training outcomes for staff.
- The Chamberlain's Department was identified by the Programme Director at the Digital Services Committee for making good progress with the H Drive migration project.

Challenges faced over this quarter

- The Chamberlain's Court continues to have capacity challenges to meet pressing deadlines and last minute stakeholder requests when staff are absent.
- Delay on freedom application system (Agenda) testing due to system build issues.
- The Chamberlain's Court are often chasing other departments for inter-departmental recharges (IDR), i.e. when a department wants to pay for someone's Freedom which has resulted delays in payment and a considerable loss of officer time.

Plans for the next quarter (Q2)

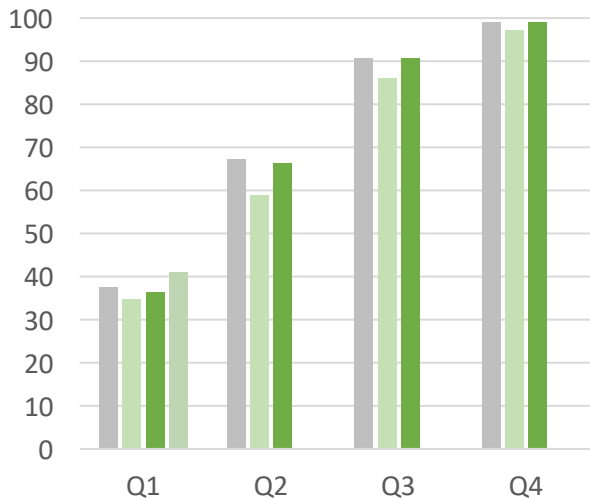
- Further testing on the freedoms applications system to ensure that it is fit for purpose prior to its switch on in October.
- Produce an ED&I action plan 2023/24 and agree priorities for 2024/25 in consultation with the CHB ED&I Group.
- Continue progress of the department's H Drive migration project.
- Improve the efficiency of the IDR (inter-departmental recharges) process to ensure that payments by departments for freedom ceremonies are promptly made.
- Continue to progress and monitor the Values and Behaviours action plan to support the Chamberlain's Transformation project.
- CHB Business Planning 2024/25 commences in consultation with key stakeholders.

Appendix 1 Changes to our Business Plan priorities

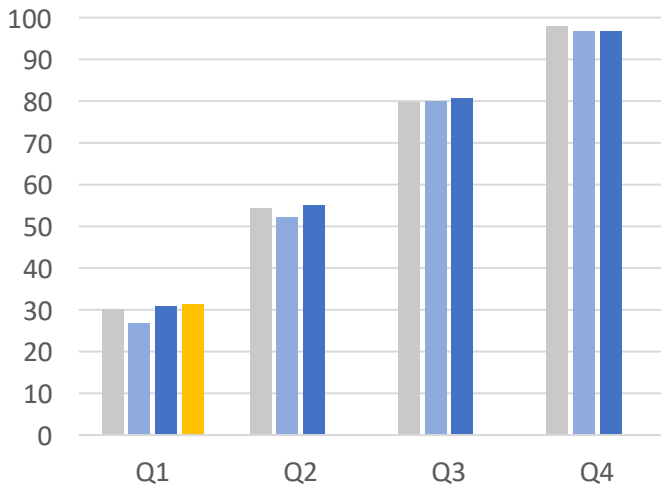
- No changes to business plan priorities.

Key Performance Indicators

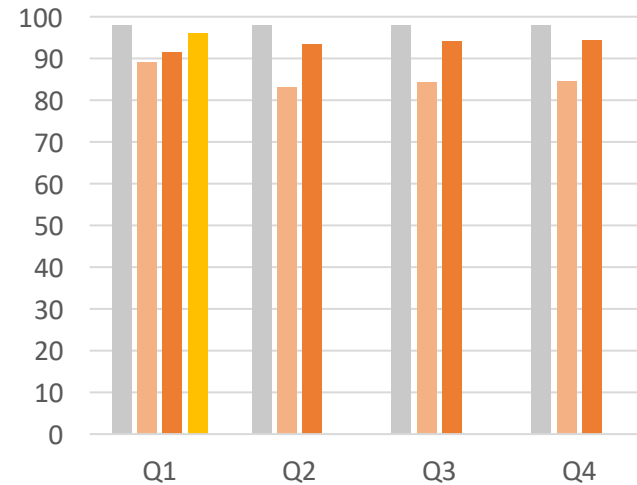
Business rates in year collection 23-24
% collected



Council tax in year collection 23-24
% collected



Commercial rent collection 23-24
% collected



■ Target 23/24* ■ 2021/22 ■ 2022/23 ■ 2023/24

*The target in the 23/24 business plan agreed by Members was 98%, however, following the 22/23 outturn a stretch target of 99% has been set.

■ Target 23/24 ■ 2021/22 ■ 2022/23 ■ 2023/24

■ Target 23/24 ■ 2021/22 ■ 2022/23 ■ 2023/24

IN PROGRESS
Publication of the Draft City Fund Accounts within Statutory Deadline of 31st May. The authority has been unable to comply with this requirement due to the additional workload from the delayed audit of 2020/21 and 2021/22 statements. This is partly due to a national issue on the accounting for infrastructure assets, and also due to the pensions triennial valuations impacting 2021/22 accounts. Draft City Fund accounts were published on 12th July.

IN PROGRESS
Publication of City Fund Audited accounts on 30th September. **Impacted by the above and delay to auditing of accounts with three years now outstanding.**

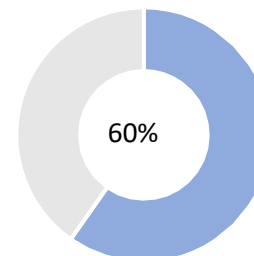
ON TRACK FOR THE END OF AUGUST
Publication of draft BHE Accounts end of July and Publication of draft City's Cash Accounts end of August.

IN PROGRESS
Effective financial management: expenditure against departmental local risk budgets (Target < 1%)

IN PROGRESS FOR 24/25
Delivery of a balanced budget and Medium-Term Financial Plan for City Fund, approved by Court of Common Council by 31 March

Appendix 1

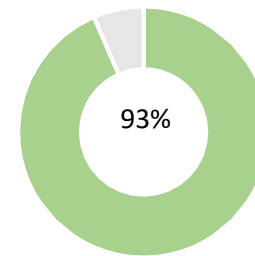
Invoices paid to SMEs within 10 days Q1 23-24



Target 88%

10 Day SME transactions 7711, paid on time 4307 & 2904 paid after 10 days

Invoices paid within 30 days Q1 23-24



Target 97%

15,437 transactions & 1070 paid after 30 days