

Committee(s):	Date(s):
Efficiency and Performance Sub Committee of the Finance Committee	18 May 2012
Subject: Future work programme	Public
Report of: Town Clerk and Chamberlain	For Decision
<p><u>Summary</u></p> <p>The sub-Committee agreed at its last meeting to move away from a programme of departmental reporting to an approach based around specific issues, or themes. The Efficiency Board has identified a number of possible topics for this revised approach, and this report seeks Members' view on the following proposed issues for further research:</p> <ul style="list-style-type: none"> ○ Supplies and Services ○ Premises costs ○ Third party payments ○ Central Risk ○ Energy ○ Channel shift ○ Behaviour change and demand management <p>Recommendations</p> <ul style="list-style-type: none"> ● Members are requested to endorse the list of proposed issues for further research, as identified by the Efficiency Board. 	

Main Report

Background

1. At the last meeting of the sub-Committee, Members agreed to suspend the programme of departmental reporting and requested that officers report to this meeting with a replacement work programme of reviews that cover issues common to a number of, or all departments and will be based on detailed research and analysis around specific themes.
2. This was as a result of a review by the Efficiency Board that concluded that departmental-based reports are not resulting in the identification of further savings or efficiencies.

Current Position

3. The outline programme below has been discussed at the officer Efficiency Board and at the Chief Officers' Performance and Strategy Summit Group. The first "themed" report is on Income Generation Initiatives, presented to today's meeting.

Proposals

4. The following issues are proposed for presentation to future meetings. These reviews would be supported by robust forensic analysis, including performance benchmarking with appropriate external organisations and better use of performance indicators.

Supplies and Services: All funds original budget for 2012-13: £110.6M; 20% of total expenditure

5. An initial analysis will identify those areas that are out-of-scope for PP2P and further detailed analysis will then be carried out on those areas where there is the potential for savings opportunities.

Premises costs: All funds original budget for 2012-13: £95.5M; 17% of total expenditure

6. Three separate areas will be examined:
 - Rationalisation of accommodation within the City (excluding City Police and the Guildhall, which are already covered by specific projects);
 - Rationalisation of accommodation outside the City (including: Open Spaces; Port Health); and
 - Rationalisation of use of accommodation within Guildhall and Walbrook Wharf (e.g. hot-desking, EDRMS, meeting and training rooms)

Third party payments: All funds original budget for 2012-13: £27.3M; 5% of total expenditure

7. Initial analysis will identify areas included within third party payments e.g. voluntary groups; agencies; contractors - these will then be reviewed for savings possibilities.

Central Risk

8. Savings of £745k have already been identified as achievable in 2012/13, with further potential savings of £165k identified for 2014/15.
9. Two expenditure areas have been identified for further work:
 - Grants, levies and precepts (City Fund £1.685M and City's Cash £2.748M); and

- Insurance (which is already work in progress as part of a tendering exercise)

Energy

10. In terms of energy cost/usage reduction, the impact of Corporate Energy Reduction Group and the Energy and Sustainability sub-Committee will be reviewed.
11. Energy generation initiatives will also be researched, following an initiative proposed by the Department of Open Spaces.

Channel shift

12. In June 2010, the Chief Officers' Group approved the City's Channel Strategy and each Chief Officer agreed to designate a named officer to become involved in channel strategy consultation and research. The aim of the Strategy is to develop and encourage the use of alternative customer access methods that are cheaper to provide, relevant to the service, and result in an improved experience for the customer (e.g. use of internet rather than telephone or face-to-face). Research will be carried out on progress to date, including the development of robust metrics on cost and usage, examples of which have been noted from London boroughs.

Behaviour change and demand management

13. Previous reports to this sub-Committee have reported that both the Transformation Board and Efficiency Board have considered this issue, and officers are considering pilot studies in selected areas to test the possible benefits of this approach for the City.
14. In addition to these "themed" reports, the sub-Committee will continue to receive reports as appropriate on the Strategic Reviews; ad-hoc reports as requested by the sub-Committee or suggested by the Transformation or Efficiency Boards; and updates at every meeting on the Transformation and Efficiency Boards.

Conclusion

15. Members are invited to consider the list of areas identified by the Efficiency Board and to suggest additional areas for review.

Background Papers:

Future programme of the sub-Committee - Report of the Efficiency Board to the Efficiency and Performance sub-Committee on 16th March 2012

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