

<b>Committee:</b>	<b>Date:</b>
Efficiency and Performance Sub-Committee	18 May 2016
<b>Subject:</b> Service Based Review update	<b>Public</b>
<b>Report of:</b> Deputy Town Clerk	<b>For Information</b>
<b>Report author:</b> Neil Davies, Head of Corporate Performance and Development	

### Summary

This report presents the Sub Committee with the latest update in respect of the Service Based Review cross-cutting reviews and key departmental projects in the format of the Service Based Review Roadmap. None of the projects has changed status since the last meeting. Updates in respect of the reviews are given in the main body of the report, in paragraphs 4 to 14.

All of the final cross-cutting review reports have been approved by Members and the reviews are now moving into the implementation stages. Chief Officer responsibility for oversight and monitoring of the cross-cutting reviews has been transferred to the new Chief Officer Delivery Groups, and other groups reporting to the Summit Group. Following a discussion at the final meeting of the Service Based Review Steering Group, a lessons learned report was produced, which is appended to this report.

### Recommendation

Members are asked to note the report.

### Main Report

#### Background

1. Members agreed to receive an update report at every meeting showing progress on the delivery of Service Based Review projects and programmes, including any actions to address problems identified. Progress is reported on a "Roadmap", attached as Appendix 1. This is in a common format, developed by the Corporate Programme Delivery Unit, who also work with Chief Officers to ensure that projects and programmes are delivered.
2. As the Service Based Review Steering Group met for the final time in March, oversight and monitoring of the cross-cutting reviews has transferred to the new Chief Officer Delivery Groups, and other groups reporting to the Chief Officer Summit Group, chaired by the Town Clerk.

## **Service Based Review Roadmap**

3. The Service Based Review Roadmap (Appendix 1) lists cross-cutting reviews agreed by the Policy and Resources Committee in September 2014, together with other work arising from the Service Based Review Challenge Meetings, or requested by the Policy and Resources Committee. It records the key activities for each of the projects. Appendix 2 contains an outline of each of the reviews reported on the Roadmap.

## **Detailed Commentary – updates since the last report**

### **Cross-cutting Reviews**

4. Strategic Asset Management. This is the overarching proposal covering Facilities Management, Contract Management and Operational Property to ensure that there is integration across the three reviews. Membership of the Programme Board, which will be chaired by the Comptroller and City Solicitor, has been agreed. The Board will meet for the first time in May, to agree their terms of reference and receive update reports from each of the three reviews.
5. Facilities Management. A Project Manager has been appointed for the Facilities Management review, and a project team and board formed for initial work at the Central Criminal Court. This project will pilot the new agreed operating model and approach prior to rolling it out to other buildings/areas. The complete process will cover: data collection, options analysis, consultation, transitional planning, and implementation. The data collection has been completed and the analysis of the findings is underway. A paper on the approach, plan, and initial findings will be presented to the first meeting of the Strategic Asset Management Programme Board. Funding from the Transformation Fund for a Business Analyst to support this review has been approved by the Chief Officer Summit Group.
6. Contract Management. The final review report was agreed by the Efficiency and Performance Sub Committee in March, and the project is now in the implementation phase. Funding is being sought for the new Commercial Contract Team, initially from realised procurement savings from 2015/16. Any shortfall will be bid for from the Transformation Fund, with any funding from this source repaid as the new team contributes towards future savings. A consultant will be appointed to assist in the development of the agreed Contract Management framework and toolkit.
7. Operational Property. Work continues on seeking approval from relevant Service Committees to initiate implementation projects for the identified rationalisation opportunities. In March, the Port Health and Environmental Services Committee agreed proposals in respect of parts of the City of London Cemetery that had been highlighted as underutilised or surplus to requirement. Following the deferral of a proposal to allow the City of London Police to use part of the underutilised London Wall Car Park, a revised and more fully explained proposition will be presented to the Planning and Transportation Committee in May. Following concerns expressed by the Epping Forest and City Commons Committee over a proposal in respect of Warren House, an updated report will go

to the July Committee. Work on developing the cross-cutting car parks work stream and the linked Accommodation and Ways of Working programme has commenced.

8. Income Generation. The final review report has been approved by the Finance, and Policy and Resources Committees, and all of the Service Committees responsible for specific areas covered by recommendations within the final review report. The key issues relate to:

- Increasing charges to levels more approaching London averages.
- Taking a more overtly commercial approach in certain areas.
- Working more in partnership with the City's cultural and artistic institutions when seeking to secure corporate sponsorship and giving.

A bid is being made to the Transformation Fund in respect of the Heathrow Animal Reception Centre, to appoint a consultant to explore the potential business case for expanding the animal transit and inspection services on a more commercial basis to maximise potential income, in line with the second recommendation noted above.

9. Grants. In March, the Resource Allocation Sub Committee and Policy and Resources Committee received an update on the work to implement the agreed recommendations of this review, and approved:

- The current grant programmes which were in scope for immediate centralised administration;
- Overarching funding themes for the Central Grants Programme (2016-18): Stronger Communities; Education and Employment Support; Enjoying Open Spaces and the Natural Environment, and Inspiring London through Culture;
- The transfer of funding commitments from the Finance Grants Sub Committee;
- The allocation of funding across the four themes, and
- A review of the new arrangements, to take place in 2018, to align with the City Bridge Trust's quinquennial review.

Members questioned the proposed level of staffing resources for the new Central Grants Unit, and referred the matter back to officers for further consideration during the next stage of the implementation.

10. In order to progress with the introduction of the new approach, reports will be presented to the Committees that are assuming grant-giving functions, namely: the Community and Children's Services Committee; the Education Board; the Open Spaces and City Gardens Committee, and the Culture, Heritage and Libraries Committee. These will request agreement of sub-themes, eligibility criteria and other specific conditions or restrictions in respect of grant giving. Following these decisions, the resources needed to support the agreed schemes will be reviewed, and a revised resourcing proposal presented to the Policy and Resources Committee.

11. Effectiveness of Hospitality. Following consultation with the General Purposes Committee of Aldermen, and all Members at the informal Court of Common Council meeting in February, amended recommendations were approved by the Policy and Resources Committee in April. Implementation of the recommendations will be led by the City Events Management Group, chaired by

the Remembrancer, with Chief Officers or senior representatives from: Mansion House; Economic Development Office; Culture, Heritage and Libraries; Central Criminal Court; Barbican/GSMD, and the Museum of London. The Director of Communications will also be invited to attend. This Group will report regularly on its work to the Chief Officer Summit Group. Future reporting to Members will be primarily through the Hospitality Working Party and Policy and Resources Committee and reports to the Court.

## **Departmental Reviews**

12. Remodelling Libraries. In April, the Projects Sub Committee agreed a request to halt work on the project for the transformation of Barbican Library due to pressures on internal resources and uncertainty over the future configuration of the Barbican Library in relation to the wider development of the Cultural Hub. The position is to be reinvestigated once the future shape of the Cultural hub is clearer.
13. The Shoe Lane project has proceeded to the stage of costed estimates and drawings, but progress was slower than anticipated due to the use of a new procurement framework and pressures on internal resources. Design options and costings have come in higher than anticipated and officers are considering all available options. This will include review of the feasibility and business case, in the light of higher costs, and further reports will follow. As noted at the Sub Committee's previous meeting, there are no Service Based Review financial targets dependent on the completion of this work.
14. Barbican Centre. Progress is reported regularly to the Barbican Centre Board and its Finance Sub Committee, in the form of a Barbican SBR Roadmap. Two areas are currently rated Amber: staffing and security/Front of House. The security proposals are rated Amber in response to the events in Paris in November; with work now underway to review security across the whole of the City Corporation, including the Centre. The aim is to deliver a service that is efficient, robust and responsive to the prevailing security status. The staffing proposals are rated Amber due to concerns over the timing of the reviews taking place of facilities and engineering staffing, which are anticipated to make up the bulk of the saving. All of the recommendations arising from the effectiveness review, conducted by AEA, have been incorporated into the Centre's strategic planning process, and regular updates on the Strategic Plan are also reported to the Board. A meeting of the officer Barbican Review Steering Group reviewed progress on 3 May. The Barbican Centre confirmed that their overall SBR savings target will be achieved.

## **Service Based Review Steering Group**

15. The Service Based Review Steering Group met for the final time in March, and discussed the learning points from the Service based Review process to date. A full note of the discussion is attached as Appendix 3.

## **Conclusion**

16. All of the final cross-cutting review reports have been approved by Members and the reviews are now moving into the implementation stages. Chief Officer responsibility for oversight and monitoring of the cross-cutting reviews has been transferred to the new Chief Officer Delivery Groups, and other groups reporting to the Summit Group.

## **Appendices**

- Appendix 1 – Service Based Review Roadmap
- Appendix 2 – Outline of reviews
- Appendix 3 – Service Based Review Steering Group: Lessons Learned

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