

EFFICIENCY AND PERFORMANCE SUB (FINANCE) COMMITTEE

Wednesday, 30 November 2016

Minutes of the meeting of the Efficiency and Performance Sub (Finance) Committee held at the Guildhall EC2 at 1.45 pm

Present

Members:

Jeremy Mayhew (Chairman)	Sheriff & Alderman Peter Estlin
Deputy Roger Chadwick (Deputy Chairman)	Deputy Jamie Ingham Clark Ian Seaton
Nigel Challis	Deputy John Tomlinson
Deputy Anthony Eskenzi	

Officers:

Christopher Braithwaite	-	Town Clerk's Department
Neil Davies	-	Town Clerk's Department
Peter Kane	-	Chamberlain
Kate Smith	-	Town Clerk's Department
Caroline Al-Beyerty	-	Chamberlain's Department
Paul Nagle	-	Chamberlain's Department
Paul Wilkinson	-	City Surveyor

In attendance:

Sascha Kiess, Continuous Improvement Institute

1. APOLOGIES

Apologies for absence were received from Randall Anderson and Philip Woodhouse.

2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

There were no declarations.

3. EXTERNAL SPEAKER - EMBEDDING A CULTURE OF CONTINUOUS IMPROVEMENT

The Sub-Committee considered a presentation from Sascha Kiess of the Continuous Improvement Institute regarding embedding a culture of continuous improvement in the Corporation.

The presentation provided information of the definition of continuous improvement; the key characteristics of a continuous improvement culture; the key steps that can be taken to develop a continuous improvement culture; how to measure progress in implementing a continuous improvement culture; and the benefits of creating a continuous improvement culture.

Members welcomed the presentation, agreeing that embedding a culture to ensure that continuous improvement was considered to be business-as-usual would be very beneficial for the organisation. This would contrast with the existing process of a series of two-to-three year savings programmes. Members noted that achieving such a culture would be a long-term objective and may be challenging to achieve.

Members also commented that it would be vital that the Corporation first had a clear vision of what it sought to achieve. This vision would need to be supported by all aspects of the Corporation's leadership and embedded within the Corporation's corporate governance.

RESOLVED – That the Sub-Committee notes the presentation.

4. **DEPARTMENTAL BUSINESS PLANNING PROCESS**

The Sub-Committee received a presentation from the Town Clerk which provided information regarding the development of the Corporation's revised Corporate Plan and the process for the development of Departmental Business Plans.

The Town Clerk explained that the Corporate Plan and Departmental Business Plans, along with the processes which reviewed and supported these, would be built around the theme of the 4 Rs (Relevant, Responsible, Reliable and Radical) and ensure that all activities undertaken were focused upon achieving the Corporation's goals as efficiently and effectively as possible.

Members commented that further development was required of the Corporate Plan and Departmental Business Planning Process and it was vital that Members were heavily involved in this, in appropriate forums. This would ensure that, when the Corporate Plan and Departmental Business Plans were presented to Members, these were in line with Members expectations.

Members commented that it was important that all Plans included measurable outputs and agreed that the Plans should be beneficial in supporting a culture of continuous improvement being embedded across the Corporation. Members also commented that it was important that the Plans allowed Officers to appropriately identify and mitigate risks, but also gave Officers the opportunity to take appropriate risks.

The Chairman commented that the two presentations received by Members had been complementary and provided Members with information of the current position of the development of these issues within the Corporation. He explained further development of the Plans would be completed by Senior Officers prior to further Member consultation.

The Chairman requested that an update on progress in the development of the Plans be provided to the Sub-Committee's next meeting.

RESOLVED – That the Sub-Committee notes the presentation.

5. **EXCLUSION OF THE PUBLIC**

RESOLVED - That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following item on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A of the Local Government Act.

6. **GUILDHALL SCHOOL - SUSTAINABILITY (OPERATING MODEL REVIEW) BY PA CONSULTING**

The Sub-Committee noted a joint report of the Chamberlain and Town Clerk which provided information of the review, conducted by PA Consulting, of the Guildhall School of Music and Drama's Operating Model Review.

7. **ADMITTANCE OF THE PUBLIC**

RESOLVED – That the public be admitted to the meeting.

8. **MINUTES OF THE PREVIOUS MEETING**

RESOLVED - That the public minutes and non-public summary of the meeting held on 12 October 2016 be agreed as an accurate record.

9. **OUTSTANDING ACTIONS FROM PREVIOUS MEETINGS**

The Sub-Committee considered a report of the Town Clerk which set out the outstanding actions from previous meetings of the Sub-Committee.

The Chairman commented that the presentations considered earlier in the meeting demonstrated the importance of ensuring that the Staff Suggestion Scheme was embedded within the Departmental Business Planning process.

RESOLVED – That the Committee notes the report.

10. **EFFICIENCY AND SUSTAINABILITY PLAN - NEXT STEPS**

The Sub-Committee considered a report of the Chamberlain which provided information of the next steps to be taken to build on the Efficiency and Sustainability Plan, which had been approved for publication by the Court of Common Council on 13 October 2016. The additional steps which would be taken included Efficiency and Effectiveness Peer Reviews for all Chief Officers and incentivisation for identification and implementation of efficiency savings.

The Chamberlain informed the Sub-Committee that, as promised in return for the publication of Efficiency Plans, the Department for Communities and Local Government had confirmed the level of the Corporation's Local Government Grant Funding for the next three years.

The Sub-Committee asked how the efficiency plan would apply to the independent schools, as it would not be appropriate to make savings through reducing bursaries or similar methods. The Chamberlain explained that there was no intention to cut bursaries, and the efficiency plan would seek to find efficiencies in the shared services used by the schools.

Members asked for clarification regarding the timescale for the completion of Chief Officer Peer Reviews. The Chamberlain explained that a timetable for

each of the workstreams identified within the report had been developed and this was put around the table. The Chamberlain explained that it was intended to commence the Peer Reviews in early 2017, but it may be necessary, due to resources for these to be staggered and it therefore may not be possible to complete a Peer Review for each Chief Officer until 2018.

The Chamberlain confirmed that the work that would be undertaken to implement the Efficiency Plan would be integrated into the Sub-Committee's work programme.

RESOLVED – That the Sub-Committee

- a) Notes the proposals for implementing the Continuous Improvement savings target; and
- b) Notes the approach being adopted for progressing Chief Officer Peer Reviews.

11. THE ESTABLISHMENT OF A PROCUREMENT INVEST TO SAVE FUND

The Sub-Committee considered a report of the Chamberlain which set out proposals to establish a Procurement Invest to Save Fund, using a percentage of the annual savings generated by City Procurement to fund bids for continuous improvement procurement projects.

A Member noted that, when this report had been considered at Finance Committee, he had suggested that the limit for annual funding for the Fund should be higher than £250k. The Finance Committee had agreed that, if opportunities were identified which required a higher level of funding, these could be brought back to the Finance Committee for approval.

The Chamberlain confirmed that this Fund was solely for invest-to-save initiatives related to procurement and would not be available for invest-to-save initiatives in other areas.

RESOLVED – That the Sub-Committee notes the report.

12. WORK PROGRAMME FOR FUTURE MEETINGS

The Sub-Committee considered a report of the Town Clerk which set out the work plan for future meetings.

The Chairman commented that the format of the Work Programme needed further revision and requested that the Town Clerk and Chamberlain review the format in advance of the Sub-Committee's next meeting.

The Town Clerk explained that he would seek to change the date of the Sub-Committee's next meeting to ensure that the issues to be considered by the Sub-Committee could be sufficiently developed and that all relevant Officers were able to attend.

RESOLVED – That the Sub-Committee notes the report.

13. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**

There were no questions.

14. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There were no items of urgent business.

15. **EXCLUSION OF THE PUBLIC**

RESOLVED - That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Local Government Act.

Item(s)

16-20

Paragraph(s) in Schedule 12A

3

16. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**

RESOLVED - That the non-public minutes of the meeting held on 12 October 2016 be agreed as an accurate record.

17. **OUTSTANDING ACTIONS FROM NON-PUBLIC MINUTES OF PREVIOUS MEETINGS**

The Sub-Committee noted a report of the Town Clerk which set out the outstanding actions from previous meetings of the Sub-Committee.

18. **SERVICE BASED REVIEW MONITORING**

The Sub-Committee noted a joint report of the Town Clerk and the Chamberlain which provided an update on the Service Based Review, including cross-cutting reviews, key departmental projects and the monitoring of financial savings.

19. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

20. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There were no items of urgent business.

The meeting closed at 3.30 pm

Chairman

Contact Officer: Chris Braithwaite

tel.no.: 020 7332 1427

christopher.braithwaite@cityoflondon.gov.uk