

## EFFICIENCY AND PERFORMANCE SUB (FINANCE) COMMITTEE

Wednesday, 17 May 2017

### Minutes of the meeting of the Efficiency and Performance Sub (Finance) Committee held at the Guildhall EC2 at 11.30 am

#### Present

#### Members:

Jeremy Mayhew (Chairman)	Sheriff & Alderman Peter Estlin
Deputy Jamie Ingham Clark (Deputy Chairman)	Ian Seaton
Randall Anderson	Deputy Philip Woodhouse

#### Officers:

Chris Braithwaite	-	Town Clerk's Department
Neil Davies	-	Town Clerk's Department
Richard Horner	-	Town Clerk's Department
Kate Smith	-	Town Clerk's Department
Sacha Than	-	Town Clerk's Department
Peter Kane	-	Chamberlain
Caroline Al-Beyerty	-	Chamberlain's Department
Christopher Bell	-	Chamberlain's Department
Adam Perry	-	Chamberlain's Department

- 1. APOLOGIES**  
No apologies were received.
- 2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**  
There were no declarations.
- 3. MINUTES OF THE PREVIOUS MEETING**  
**RESOLVED** - That the public minutes and non-public summary of the meeting held on 17 February 2017 be agreed as an accurate record.
- 4. 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 Town Clerk explained that a copy of the Sub-Committee's Terms of Reference had been put around the table.

**RESOLVED** – That the Committee notes the report.

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 next item on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A of the Local Government Act.

6. **COMMERCIAL CONTRACT MANAGEMENT - INITIAL OPPORTUNITIES**

The Sub-Committee noted a report of the Chamberlain which updated Members on the initial commercial work of the new Commercial Contract Management team within City Procurement.

Following the conclusion of this item, the Sub-Committee agreed to admit the public to the meeting.

7. **CORPORATE AND DEPARTMENTAL BUSINESS PLANNING - UPDATE**

The Sub-Committee considered a report of the Town Clerk which provided an update on the work being undertaken to revise the Corporate Plan and the Departmental Business Planning process.

The Town Clerk explained that the process had begun with briefings for Service Committee Chairmen and Deputy Chairmen in January and April 2017. The Town Clerk explained that a common version of the Corporate Plan summary had been circulated to all Service Committees. Comments had been received from Members at these Committees, which would be used to develop the next version of the Corporate Plan and to help to refine the Departmental Business Plans for future years. Members were informed that, once all Committees had been sighted on the draft Corporate Plan, the Plan would be revised, following which further comment would be sought from Members and engagement would begin with staff and stakeholders.

The Town Clerk also informed Members of the creation of the Corporate Strategy Network, which had been established to allow strategy and business planning officers from all Departments to discuss approaches to business planning, share best practice and map activities listed in departmental business plans to draft the Corporate Plan outcomes. This Network also provided input to the various Chief Officer Groups which were responsible for developing the themes of the Corporate Plan.

**RESOLVED** – That the Sub-Committee notes the report.

8. **EFFICIENCY AND SUSTAINABILITY PLAN - UPDATE REPORT**

The Sub-Committee considered a report of the Chamberlain which provided Members with information about the key principles agreed within the Efficiency and Sustainability Plan and the activities and milestones to support the implementation of the plan.

The Chamberlain explained that, to assist with the embedding of the Efficiency and Sustainability Plan throughout the organisation, a document setting out the key messages of the Plan would be circulated to all Service Committees,

alongside the revenue outturn reports, during June and July 2017. A copy of this document was put around the table.

The Chamberlain noted that, with the current inflation estimates, the real terms impact of the 2% year-on-year budget cuts within the Efficiency and Sustainability Plan could be in the region of 15% over the next three years. He explained that the overall principle of the Plan would be considered on an annual basis by the Resource Allocation Sub-Committee. If the level of saving was found to be too high, amendments could be made. The Chamberlain also noted that complying with this requirement could be challenging for some Departments, but any requests from Departments for an exemption should only be considered in conjunction with an appropriate business case.

The Chamberlain also explained that a trial of the Chief Officer Peer Reviews, as part of the Efficiency and Sustainability Plan, was due to take place in the next month. Members were informed that a report was expected to be presented to the Sub-Committee's next meeting providing information of the findings of this trial.

**RESOLVED** – That the Sub-Committee notes the report.

9. **CONTRACT MANAGEMENT CORPORATE SUPPLIER SCORECARD**

The Sub-Committee considered a report of the Chamberlain which provided Members with the recommended Corporate Supplier Scorecard which would be introduced to drive best practice contract management across the organisation.

The Chamberlain explained that, at Callover, the Chairman had suggested that the Scorecard would be more user-friendly if the ten key areas were grouped into a few categories. The Chamberlain explained that the categories used would be Commercial; Risk and Health & Safety; Performance; and Social Value. He confirmed that these categories would be used for reporting to Members of performance against the Scorecard. The Chairman commented that this categorisation would need to take place before the Scorecard was rolled-out.

In response to a question from a Member, the Chamberlain explained that the intention was to use the full scorecard for performance monitoring and interventions with the City Corporation's key suppliers (known as "Category A" suppliers), rather than piloting it for a small number of suppliers. He explained that the Scorecard captured contract management activities in which the City Corporation should already be engaging and, therefore, the Scorecard should be rolled out as quickly as possible. He explained that the Scorecard would not be used in its entirety for lower category suppliers, but would be used to inform the contract management approach used with those suppliers; this would be determined on a case-by-case basis.

A Member asked whether this Scorecard would also be used in instances where Corporate Purchasing Cards were used. The Member also asked whether progress had been made in diverting spend from Purchasing Cards. The Chamberlain explained that the Scorecard was not related to spend on

Purchasing Cards. The Chamberlain explained that he could provide the Member with the information which was provided to Managers regarding the use of Purchasing Cards.

**RESOLVED** – That the Sub-Committee approves the Corporate Supplier Scorecard, subject to the categorisation of the key areas.

10. **WORK PROGRAMME FOR FUTURE MEETINGS**

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

The Chairman commented that, with regard to the Specific Departmental Focus section of the Work Programme, it was beneficial to have flexibility regarding which Department would be reviewed. However, he suggested that it would be helpful to Members if the Work Programme could provide some possible options for the focus of future meetings, based on the areas which might benefit most from the Sub-Committee's scrutiny.

The Chamberlain explained that it would be appropriate for the City of London Police to be the Department in focus in September, due to the funding challenges for the Police. Following the Police, IT may be an appropriate area for scrutiny at the November meeting.

**RESOLVED** – That the Sub-Committee notes the report.

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

There were no questions.

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

There were no items of urgent business.

13. **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.

<b>Item(s)</b>	<b>Paragraph(s)</b>
14-19	3

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

The non-public minutes of the meeting held on 17 February 2017 were agreed as an accurate record.

15. **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.

16. **SERVICE BASED REVIEW MONITORING**

The Sub-Committee noted a joint report of the Town Clerk and the Chamberlain which provided the latest update in respect of the Service Based Review (SBR) cross-cutting reviews and key departmental projects, and the monitoring of SBR financial savings.

17. **SERVICE BASED REVIEW - STRATEGIC ASSET MANAGEMENT FACILITIES MANAGEMENT REVIEW UPDATE**

The Sub-Committee noted a joint report of the Town Clerk, City Surveyor and Chamberlain which provided an update on the Strategic Asset Management Facilities Management Review.

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

There were no questions.

19. **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 1.00 pm**

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Chairman

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