

Committee(s)	Dated:
Finance Committee – For Information	21/11/2017
Subject: Chamberlain’s Business Plan – Half Year Update	Public
Report of: Chamberlain	For Information
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Summary

This report provides Members with a brief update of assurance that the Chamberlain’s department is making good progress in the delivery of the 2017/18 Departmental Business Plan.

Performance broadly is in line with expectations for the second quarter.

Recommendation(s)

Members are asked to note the report.

Main Report

Background

1. The Chamberlain’s Department Business Plan for 2017-2018 was approved by Finance Committee on 2nd May 2017. This report has been produced to provide Members with a summary of progress against key deliverables and performance in quarter two of the current financial year.

Current Position

2. It is a requirement of the Corporate Business Planning Framework that business plan delivery update reports be provided to Committee on a quarterly basis.

Delivery against Key Improvement Objectives

3. Progress in the delivery of our key improvement objectives is good. Please see updates below:

Improve underlying IT performance issues and delivering major IT projects (Network Transformation and Desktop Refresh)

4. The Transformation Programme is delivering to budget and all projects are on track. So far £421k of infrastructure related savings have been identified through the Transformation Programme with the shift to Microsoft Cloud services and optimising components of the remaining infrastructure. The programme has completed the desktop transformation for over 500 users and the team are on track to complete across the Corporation by end of the year. Work has begun on replacing the Wide Area Network circuits. End user feedback on the desktop

transformation roll out has been very good. The provider for designing, building and support our new Local Area Network (LAN) has been procured and has started work. The new LAN hardware has been procured. Many new policies have been defined and are now being implemented to ensure the sustainability of our Transformation investment.

Maintain focus on value for money over the current funding period and beyond

5. The focus on delivering Value for Money in all that we do continues. In addition to reviewing the Service Based Review process, departments are seeking to deliver continuous improvement savings as part of an Efficiency Plan. These will be documented in the forthcoming budget reports and reflected in the Medium Term Financial Plan. A rolling review programme to secure more radical changes in efficiency and effectiveness is also in development.
6. A Chief Officer Peer Review programme is supporting Chief Officers in developing ideas that will improve innovation, collaboration, and agility. The outputs from these sessions will inform the Business Plans of all departments going forward particularly in response to the Efficiency Plan.

Pursue the responsible procurement agenda and further adoption of smarter, more efficient procurement processes.

7. City Procurement this quarter has rolled out the use of electronic signature software for all contracts. This reduces time, instances of documentation loss and gives us an online repository of all contract signatures to ensure all paperwork is completed in line with the requirements specified by the Comptroller and City Solicitor.
8. On 19th October, Chris Bell attended the CIFPA Annual Procurement Summit to present CoL as a case study on achieving “responsible success” through procurement. Natalie Evans also used CoL as a case study earlier this month, presenting mechanisms to overcome barriers to human rights through ethical sourcing at a meeting of the Inter-American Network on Government Procurement (INGP) in Santiago, Chile. As such, the presentation was aimed at the national directors of procurement in the 32 participating countries of Latin America and the Caribbean.
9. The most significant tactical achievement this quarter has been in the field of mitigating air pollution in London through public procurement. CoL led the London Responsible Procurement Network’s most recent meeting. Successful ways of encouraging supply chain partners to reduce NOx and PM emissions through contractual requirements or supplier evaluation within tenders were showcased. These mechanisms were collated and a harmonised approach is now being established through collaboration with participating entities. The aim is to develop a more robust, standardised approach to driving e.g. consolidation, dust suppression, the uptake of alternative vehicles and other innovative technologies used to reduce emissions harmful to human health.

Provide assurance to the City and its Partners on their control environments, supporting the risk management framework and promoting an anti-fraud culture

10. Work continues on the 2017/18 audit plan with 24% of audits issued to final or draft report stage as at 31 September, and 31% work in progress. A revised, more robust and transparent recommendation follow-up process has been introduced, with the opportunity for call-in by the Audit and Risk Management Committee where appropriate for non-compliance.
11. Work is progressing, supported by Zurich Municipal, to develop consistency and understanding around risk appetite for the City Corporation. Initial survey of senior officers and Members has now been completed and a detailed analysis of the results is being undertaken. Work also continues on developing a more consistent approach to the corporate risk management process through additional training and support.
12. The City's Internal Audit team continues to promote a fraud awareness culture across the City Corporation, particularly in higher fraud risk areas.

Delivery against Key Performance Indicators

13. The Chamberlain's Performance Scorecard is shown as Appendix 1 to this report. This shows good performance across many of the KPIs in place, the following are of note:
 - Accounts Payable invoice turnaround for Small and Medium Sized Enterprises (10 days) – performance for the quarter is 84% which is a 26% increase on the previous quarter. Performance against the 10 days payment target had dipped in the previous quarter due to the Accounts Payable Team dealing with a backlog of invoices that built up as a result of year-end system down time, prioritising payment of annual rates and council tax bills for City Corporation properties and some resource capacity issues. The team have focused resources to catch up as quickly as possible and are continuing to monitor payment performance regularly to ensure that performance against this target continues to improve.
 - % of Invoices Received Electronically by the AP team – current performance is 92% for this quarter 3% short of the 95% target. The team continues to encourage suppliers to send invoices electronically.
 - Procurement savings target is below the target by £0.24million this is due to a delay in approval of the Wireless Concession saving, however this has now been confirmed and will be reflected in the following period.
 - Commercial rent collection rates are in line with target. Business Rate collection is at 59.1% for the quarter slightly ahead of the 58% target.
 - IT Service Performance - All incidents for Agilisys were resolved within SLA. All availability targets were met.

Chamberlains Finance Dashboard

14. A Finance Management Information Dashboard is currently in development, a first version is attached for information as Appendix 2. At this stage in the year there are no significant points to draw attention to, the format and presentation will be developed and enhanced over time.

Conclusion

15. Members are asked to note that good progress is being made in the delivery of the Chamberlain's business plan. Performance for the first quarter of the year is broadly in line with expectations.

Appendices

- Appendix 1 – Chamberlains Department Scorecard
- Appendix 2 – Chamberlains Department Finance Dashboard

Background Papers

- Report to Finance Committee 25/07/2017: Chamberlain's Business Plan – First Quarter Update
- Report to Finance Committee 02/05/2017: Chamberlain's Business Plan 2017/18

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