

Committee: Efficiency & Performance Sub Committee	Date: 30 March 2021
Subject: Timetable for 12% reduction Deep Dives	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	All
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: The Town Clerk & Chief Executive and The Chamberlain	For Information
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Summary

This report presents a proposed timeline for Officers to submit an update on departmental plans (as per the paper submitted to Efficiency & Performance Sub Committee and Resource Allocation Sub Committee on 26th February and 17th March respectively) for making the 12% reductions within the 2021/22 budget approved by the Court of Common Council on 4th March.

In order to ensure the delivery of savings and understand the service impact the Efficiency & Performance Sub Committee have agreed to scrutinise:

- Delivery of Fundamental Review savings approved by Policy & Resources Committee; and where proposals have been moved out of year due to delays caused by COVID impacts.
- The Target Operating Model (TOM) implementation savings tacker
- Delivery of the 12% savings target, including scrutiny of any overspending committees or departments/institutions.

Recommendation

Members are asked to note the report.

Main Report

Background

1. As the new target operating model progresses into phase 2, departments are categorised under separate waves to ensure a smooth transition across the City Corporation. During the period of transformation, Officers will be able to explore fully the opportunities for savings within the 12% budget reductions.
2. Resource Allocation Sub Committee (RASC) is keen to understand:
 - The service changes that have happened in 2020/21 as a result of the Fundamental Review and what has been agreed for future years, potentially through a 'parity' lens of the proportional budget cut from the Fundamental Review; and
 - Service changes that will happen as part of 2021/22 budget to stay within the 12% envelope allocated by RASC (approved by the Court of Common Council on 4 March), including likely service impacts of a COVID-secure return to work in the Square Mile and London more widely.
3. The Chamberlain's department will work with Officers as they transition through the separate waves to compile an overview of the Fundamental Review schemes. Additionally, Officers will be building the picture of 2021/22 service impacts with Chief Officers and Heads of Finance as Service Committees and departments/institutions develop their thinking. The analysis will identify any proposed savings being put forward by Service Committees which would conflict with corporate priorities, could be disproportionately damaging, or could undermine the delivery of front-line services (for example, services to vulnerable people).
4. Finance Committee is keen to mitigate the risk to the sustainability of the Medium-Term Financial Plan, ensuring that the 'flightpath' savings remain on track, in particular:
 - Fundamental Review savings
 - 2% savings; part of which are savings from the TOM; and
 - COVID impacts on main income streams and service delivery, in particular from lower rental income and volatility on retained business rates.
5. In light of the above requirements, the Efficiency & Performance Sub Committee have agreed to scrutinise:
 - Delivery of Fundamental Review savings approved by Policy & Resources Committee; and where proposals have been moved out of year due to delays caused by COVID impacts.
 - The TOM implementation savings tacker
 - Delivery of the 12% savings target, including scrutiny of any overspending committees or departments/institutions.

Timeline

6. It is proposed that all departments and institutions are asked to provide an update in advance of the May, October and February E&P Sub Committee dates so findings can be consolidated and presented in one report to the Committee on progress.
7. Furthermore, we suggest detailed reports are presented to the E&P Sub Committee, where there is a higher risk in achieving savings/impact to service delivery. These have been identified and detailed under the proposed timetable.
8. The E&P Sub Committee will be accordingly updated to any changes against the proposed timetable.

Conclusion

This paper sets out, for Member comment, when Officers will provide an update on performance against the Fundamental Review programme, the 12% savings target and the Target Operating Model programme.

Appendices

- Appendix 1 – Proposed Timetable

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Appendix 1

Timetable for Efficiency Savings Deep Dives

Meeting Date	Proposed Departmental Deep Dive
27-May	<ul style="list-style-type: none">• Overall figures to be presented and template for departmental deep dives
07-Jul	<ul style="list-style-type: none">• Innovation & Growth• City Surveyors
06-Oct	<ul style="list-style-type: none">• Update on overall figures (all departments)• Guildhall School of Music & Drama - update as requested• Barbican Centre - update as requested
23-Nov	<ul style="list-style-type: none">• Update on all 3 schools• City of London Police
January date TBC	<ul style="list-style-type: none">• Chamberlain's• Deputy Town Clerk
February date TBC	<ul style="list-style-type: none">• Chief Operating Officer• Update on overall figures (all departments)