

Key updates from this quarter

- Closedown for 2022/23 City's Cash is complete.
- Recruitment into key roles has continued, focusing on bringing in new talent as well as providing internal opportunities through lateral development and progression.
- Interims recruited and bought up to speed helping to progress the backlog of closedown and audit work in particular.
- 2024/25 MTFP resource base templates sent out to services for completion to begin the budget build for next year.
- Capital bids process underway – to be reviewed by Priorities Board in the Autumn.
- Continued work from Chamberlain's and City Surveyor's on major projects funding strategy, with an update coming to Finance Committee in the Autumn.
- Quarterly monitoring of the entire capital programme has been introduced and monthly cashflow forecasting for the Major Projects continues.
- City Fund audit 2020/21, 2021/22 and 2022/23 continues. Both 20/21 and 21/22 are close to sign off, once BDO complete their internal processes on 20/21 we expect 21/22 to follow within a matter of weeks.
- First draft of quarterly revenue monitoring complete with Q2 under production.
- ERP procurement process completed, governance approval underway via urgency.
- 2 new graduates began in the team working towards their CIPFA qualification.

Challenges faced over this quarter

- Continued delay to signing off City Fund accounts, 2020/21 and 2021/22, due to infrastructure issue within BDO has led to additional workload arising from outstanding audit, over and above closing 2022/23 accounts.
- Potential implications of RAAC within City Corporation properties has been raised by all three audit firms. The potential for this to require further amendments to prior year accounts is being monitored.
- Recruitment challenges across finance sector - employees market where the interim market is more lucrative (shift from permanent to interim market).
- Inflationary pressures need careful monitoring and risk management accounting continues.

Plans for the next quarter (Q3)

- Financial Services Director continues to focus on 3 key priorities - 1) Well being of staff; 2) Recruitment; 3) Getting the basics done.
- Complete audit work for City Fund 2020/21, 2021/22 and City's Cash 2023.
- Continue to progress the audit for City Fund 2022/23.
- Budget setting for 2024/25 continues.
- Continuation of recruitment campaign.
- Continued work on Operational Property Review and income generation.
- Chamberlain's and City Surveyor's work on major projects funding strategy continues to be developed and refined in line with the overall MTFP – update to Investment Working Party taken in October 2023 with a view to report to another RASC away and then Finance Committee.
- Appointment of ERP supplier, deeps dives on budget, data cleansing strategy.
- Forward plan, including transformation programme to be reviewed and reprioritised.
- Continue work with Corporate Treasury and new CIO function (Stanhope) in developing a longer term robust cashflow.
- FSD Townhall introducing new ways of working and taking steps to go live with the new structure.

Changes to our Business Plan priorities

- No changes to business plan priorities.

Key updates from this quarter

- Collection rates have increased for Council Tax and Business Rates.
- A credit audit is underway to review historic credit notes.
- All power and gas invoices have now been fully automated reducing manual processing.
- Energy Bill Support Scheme and Alternative Funding scheme delivered.
- Housing Benefit System conversion is on track to be delivered in December 2023
- Payroll have delivered pay award in time for October payroll.

Challenges faced over this quarter

- Difficulty in extracting system information to enable the digitalisation of Housing Benefit paper files.
- New Property Management System, Horizon is being tested.
- Payroll rollout of pay award and spinal award increase administered
- Delay in third party solution to automate invoices due to internal system restrictions.

Plans for the next quarter (Q3)

- Launch of third-party solution to automate more invoices.
- Implementation of a new Housing Benefit System rolling into the Capita Cloud and aligning with Revenues Systems.
- Launch of new online Charitable Relief application form.
- Replacement Income Manager system go live (December/January 2023/24).
- Council Tax and Business Rates E-billing and DD automation (AUDDIS) projects underway.

Changes to our Business Plan priorities

- No changes to business plan priorities

Key updates from this quarter

- Continued testing in preparation of Member Self Service for the Pensions Administration system.
- Testing of the new Income Management system (CivicaPay)
- Liaison with MRI Consultants on the configuration of interfaces between Horizon and CivicaPay.
- Preparation of draft Pension Fund Annual Report and accounts; sundry trust accounts and relevant entries and disclosures for Bridge House Estates and City's Cash for the year ended 31 March 2023, and liaison with the external auditors (Grant Thornton and Crowe).
- 2023 Annual benefit statements distributed by 31 August (statutory deadline).
- Submission of response to DLUCH Consultation on "Local Government Pension Scheme (England and Wales): Next Steps on investments"
- Work completed on the Partial Exemption calculation for 2022/23.
- Attendance at the London CIV annual conference (Pensions) - September 2023.
- Submission of the City of London Corporation's "Principles of Responsible Investment" (PRI) report - September 2023.

Challenges faced over this quarter

- Maintaining appropriate liquidity in light of the pace of potential spend on the major projects.
- Dealing with last minute additional audit queries around the 2021/22 accounts (City Fund).
- Placing specialist motor and haulage insurance for Market Logistics project

Plans for the next quarter (Q3)

- Production and distribution of the 2023 Pension Scheme Savings Statements in respect of the Annual Allowance.
- Implementation of the 'McCloud Remedy' for both the Government and Police Pension Schemes.
- Final user acceptance testing followed by the implementation and roll out of Member Self Service for the Pension Administration system.
- Commence exposure data collation for the December 2023 Insurance renewals.
- GL Testing to begin on the new Property Management system (Horizon).
- Continue user acceptance testing followed by implementation of the new Income Manager system (CivicaPay).
- Further collaboration with MRI Consultants on the configuration of interfaces between Horizon and CivicaPay.
- Continuing collaboration with Corporate Accountancy, Stanhope (CIO function) and 31Ten consultancy in developing a longer term robust cashflow in light of the spend on Major Projects.
- Continued liaison with the external auditors in relation to the 2022/23 accounts
- Work on the Corporation's 'Task Force on Climate Related Financial Disclosures' (TCFD) report.
- Finalisation of the Pension Fund Strategic Asset Allocation (SAA) for presentation to committee; and preparation of reports for the Investment Committee and Investment Committee of the City Bridge Foundation Board.
- Finalising H Drive migration to SharePoint.

Changes to our Business Plan priorities

- No changes to business plan priorities

Key updates from this quarter

- Internal Audit Apprentices made excellent progress.
- Successful recruitment to 2 Senior Auditor posts – in post for start of Q3.
- Implementation of new Internal Audit Management IT Application.

Challenges faced over this quarter

- Capacity challenges whilst managing vacancies.
- Completion of Corporate Risk Assurance reviews has been deferred to enable completion of other planned assurance work.
- High profile work has required significant time commitment from Head of Internal Audit.

Plans for the next quarter (Q3)

- On-boarding and induction of new team members.
- Re-instatement of programme of Corporate Risk Assurance Work.
- In-depth review of outstanding and overdue Internal Audit recommendations.

Changes to our Business Plan priorities

No changes to business plan priorities.

Key updates from this quarter

- Gross profit generated by the CHB Court shop has increased by 49% compared to Q2 2022/23.
- Number of freedom applications processed have increased by 18% compared to Q2 2022/23.
- Continuously received very positive feedback from guests and participants of freedom ceremonies.
- Simplified the IDR payments process which has resulted in receiving prompt payment as well as preventing delays to the application process.
- H Drive migration done successfully for the CHB Office.
- Produced an ED&I action plan 2023/24 and agreed priorities for 2024/25 in consultation with the CHB ED&I Group.
- Drafted CHB 2024/25 Business plan in consultation with key stakeholders.

Challenges faced over this quarter

- The Chamberlain's Court continues to have capacity challenges to meet pressing deadlines and last-minute stakeholder requests when staff are absent.
- With the end of this Mayoralty coming up, the Court received more applications and was involved in arranging ceremonies off site (at Mansion House) before 10 November, liaising the Lord Mayor's Programme Officers, while working with an already extremely busy schedule.
- Delay on freedom application system (Agenda) testing due to the system not being thoroughly tested by the supplier before delivery.

Plans for the next quarter (Q3)

- Further testing on the new freedoms application system following a set calendar of updates and meetings with supplier to address delays.
- Liaising with Mansion House for arranging ceremonies for the new Lord Mayor (2024/25).
- Hosting a reception after the Silent Ceremony for key stakeholders, Freemen and the Chamberlain.
- Recruiting and training a new apprentice for the Court to alleviate capacity challenges.
- Continue to progress and monitor the Values and Behaviours action plan to support the Chamberlain's Transformation project.
- Complete the CHB Business Plan 2024/25 in consultation with key stakeholders.
- Complete CHB's H Drive migration project and conduct lessons learnt.
- Input into the CHB 2024/25 budget setting process.

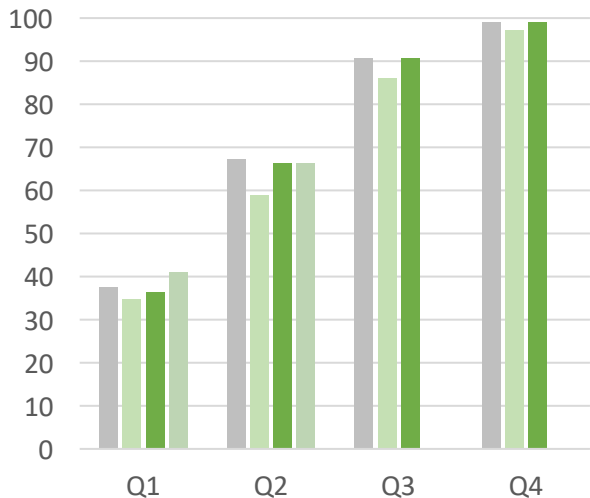
Changes to our Business Plan priorities

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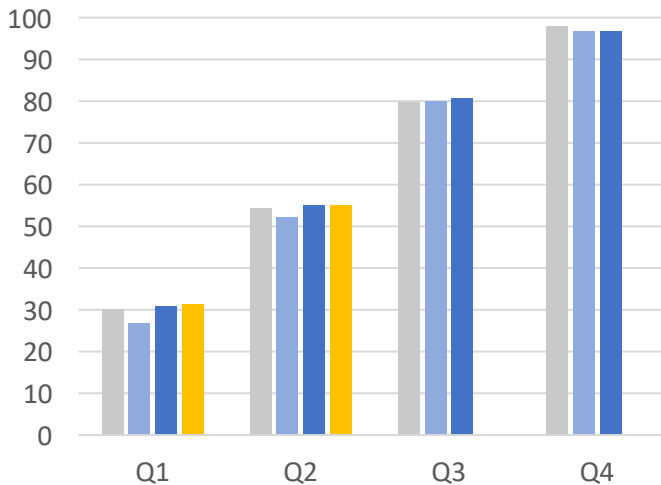


Key Performance Indicators

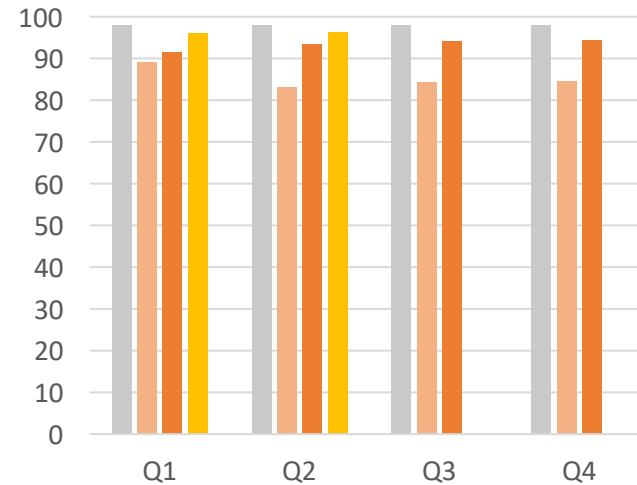
Business rates in year collection 23-24 % collected



Council tax in year collection 23-24 % collected



Commercial rent collection 23-24 % collected

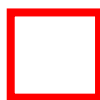


■ Target 23/24* ■ 2021/22 ■ 2022/23 ■ 2023/24

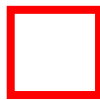
*The target in the 23/24 business plan agreed by Members was 98%, however, following the 22/23 outturn a stretch target of 99% has been set.

■ Target 23/24 ■ 2021/22 ■ 2022/23 ■ 2023/24

■ Target 23/24 ■ 2021/22 ■ 2022/23 ■ 2023/24



Publication of the Draft City Fund Accounts within Statutory Deadline of 31st May. The authority has been unable to comply with this requirement due to the additional workload from the delayed audit of 2020/21 and 2021/22 statements. This is partly due to a national issue on the accounting for infrastructure assets, and also due to the pensions triennial valuations impacting 2021/22 accounts. Draft City Fund accounts were published on 12th July.



Publication of City Fund Audited accounts on 30th September. **Impacted by the above and delay to auditing of accounts with three years now outstanding.**



Publication of draft BHF Accounts end of July and Publication of draft City's Cash Accounts end of August.

IN PROGRESS

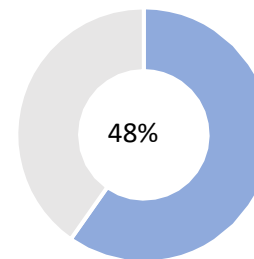
Effective financial management: expenditure against departmental local risk budgets (Target < 1%)

IN PROGRESS FOR 24/25

Delivery of a balanced budget and Medium-Term Financial Plan for City Fund, approved by Court of Common Council by 31 March

Appendix 1

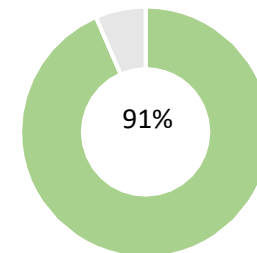
Invoices paid to SMEs within 10 days Q1 23-24



Target 88%

10 Day SME transactions 11,276, paid on time 5379 & 5897 paid after 10 days

Invoices paid within 30 days Q1 23-24



Target 97%

16,507 transactions, 15028 paid on time & 1479 paid after 30 days