

Committee(s): Finance Committee	Date: 20 February 2024
Subject: Chamberlain's Business Plan Quarter 3 2023/24 update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	3, 5, 8 & 10
Does this proposal require extra revenue and/or capital spending?	N
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 Chamberlain	For information
Report author: Anna Flashman – Head of the Chamberlain's Office	

Summary

Overall, the Chamberlain's department has made good progress on its 2023/24 Business Plan.

1. In year collection rates for Council Tax and Business Rates during Q3 2023/24 have increased compared to the previous year's collection. Investment Property Income collection rates dipped slightly since the previous quarter during conversion to the new property system. Arrears now stand at £8.2m compared to £7.4m at the end of Q2.
2. The City's performance for the payment of invoices within 30 days has improved since Q2, however, was a 4% shortfall of the target. The quantity of supplier invoices paid has increased by 2.14% which has placed slightly more pressure on the Accounts Payable team, which lost two team members at very short notice.
3. 2020/21 City Fund accounts were signed off in November with 2021/22 City Fund accounts signed off in December 2023. It is anticipated that sign off for both City Fund and City's Estate 2022/23 accounts will be completed in February, following the resolution of the few final queries. The budget setting process for 2024/25 is on track.
4. Pace has been maintained on the Chamberlain's Transformation Programme. In particular, the ERP Programme has made significant progress - the software procurement has been approved and the project team are now working on the procurement of an Implementation partner. Additionally, the Financial Shared Services team has successfully implemented a new Housing and Council Tax Benefit system. A new Income Manager system is scheduled to go live in April. The change workstream within the programme was established and numerous stakeholder meetings were held with key contacts across the Corporation and its Institutions. Data cleansing workstreams across both HR and Finance continued throughout the quarter, with progress in finance being made on the closing of historic purchase orders and invoices on hold. Slippage to the Capital Transformation and Matrix working transformation workstreams have primarily been a result of the a number of gaps in the base data, and the significant

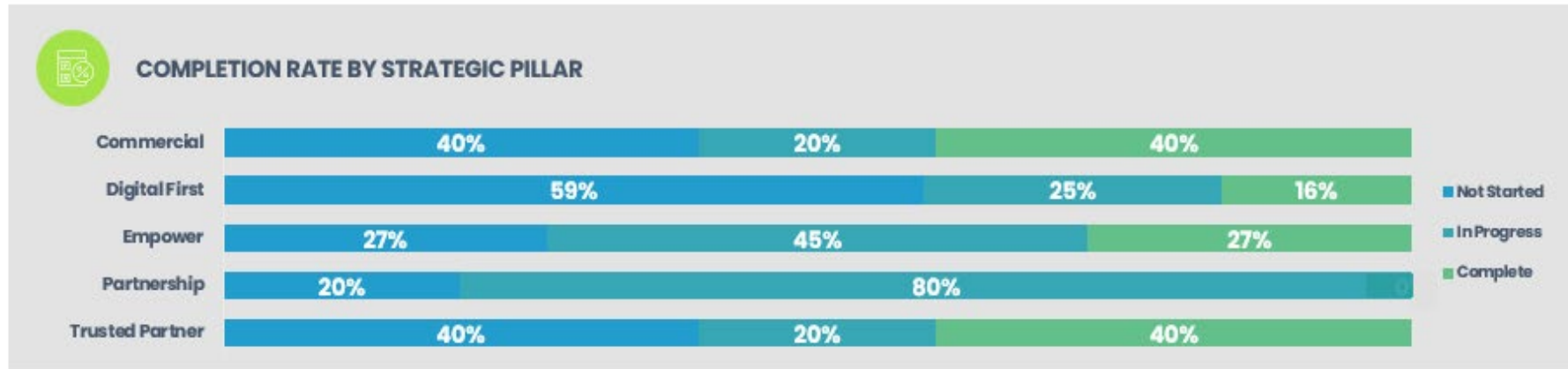
amount of work necessary to address these issues and the delays in the accounts which have diverted staff efforts to the audit. The implementation of the new freedom applications system has been pushed back due to a number of faults identified by the User Acceptance Testing which are currently in the process of being addressed. Following the transfer of DITS and Commercial to the Chamberlain's Department further workstreams have been added to the programme.

5. Financial Services Division continues to fill key positions which will improve the resilience of the service, including the arrival of the new permanent Chief Accountant.

Recommendation

Members are asked to note the report.

CHB Transformation Dashboard – Q3 2023/24



Amber Major Workstreams Project Status Updates

Capital Transformation

The Capital Transformation programme is underway with two quarters of regular monitoring having taken place and progress made on updating the financing approach and implementation of asset registers. Following the 2024/25 Budget setting process further progress is expected to be delivered this quarter and the work will continue throughout 2024/25 as these changes are embedded.

Matrix Structure

The matrix structure is ready to be launched subject to confirmation from HR colleagues around the need for any formal letter confirming changes to job titles. A kick off session was held in November within further discussions since to ensure staff who are impacted are engaged and aware of the changes. Once confirmation around the letters is received this can move forward at pace.

Freedom Application System

Continuous User Acceptance Testing has identified a number of faults in the system which are being in the process of being addressed by developers, including payment automation. Regular supplier management meetings are taking place to track and monitor the resolution of issues and to ensure that the system is fit for purpose. It is anticipated that the new system will be implemented in Q1 2024/25.

Corporate & Strategic Implications

Strategic implications – Strategic priorities and commitments are expressed in Appendix 1.

Financial implications – The 2023/24 Business Plan reflected a 12% reduction in the departmental budget agreed and implemented in previous years.

Resource implications – Any changes to resources have been identified and will be delivered through the implementation of the Target Operating Model.

Legal implications – None.

Risk implications – Key risks managed by the department are included in the Risk Update Report also received by this committee.

Equalities implications – The department has a separate Equalities and Inclusion Plan which aims to improve the department's Equalities position for employees. Where appropriate the department will complete Equality Impact Assessment for upcoming changes.

Climate Implications – Under the Climate action strategy the departments Corporate Treasury function is responsible for delivering Scope 3 emission actions related to our financial investments.

Security implications – None.

Appendices

Appendix 1 – Chamberlain’s Business Plan update

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