

Committee(s): Finance Committee	Date: 23 July 2024
Subject: Chamberlain's Business Plan Quarter 1 2024/25 update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	Chamberlain's Department as a support service aims to impact all six outcomes in the Corporate Plan.
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: Hayley Puhlhofer – Head of Chamberlain's Office	

Summary

This report provides an update on the progress of Chamberlain's Department against Business Plan during quarter one of 2024/25.

Highlights from quarter one of 2024/25 include:

- The Chamberlain's Department successfully deployed a new Income Manager System. This provides better functionality for users, increased automation and more payment options for customers including, in the future, an automatic telephone payment line.
- Draft 2023/24 City Fund accounts were completed and published by the statutory deadline, 31st May 2024.
- Chamberlain's Transformation Programme developed a dashboard to allow the Chamberlain and her SLT to review projects and their status enabling decision-making on where to focus efforts.
- Analysis of transformation opportunities were provided to the Resource Allocation Sub Committee's Away Day for a steer and the budget setting process for 2025/26 has commenced.

The details of the key updates, challenges and future priorities are detailed in Appendix 1.

Recommendation

Members are asked to note the report.

Main Report

Background

1. The Chamberlain's Department provides quarterly updates to Finance Committee on the activities and achievements against the approved business plan. This report provides an update on the department's performance during quarter one of 2024/25.
2. A new quarterly report template has been developed by the Corporate Strategy and Performance team, which has been used to bring this report together. This will also be used to provide an update to Executive Leadership Board.

Current Position

Financial Services Division & Corporate Treasury

3. Draft 2023/24 City Fund accounts (including the Pension Fund Accounts) were completed and published by the statutory deadline, 31st May 2024 and the audit has commenced. The audited City Fund accounts are on track to be published by the end of September 2024.
4. Draft City's Estates accounts have been consolidated and focus is now on quality checks and ensuring working papers are ready for audit. Audits of smaller Charities and Trusts have also begun.
5. The City's insurances due for renewal in June 2024 have been completed/placed.

Financial Shared Services

6. In year collection rates for Council Tax during Q1 2024/25 are at 29.6% which is a decrease of 1.6% when compared to Q1 23/24 collection. This is due to new properties being banded in May, increasing the overall charges, collection rates are expected to improve over the next quarter.
7. In year collection rates for Business Rates during Q1 2024/25 are at 40.13% which is a decrease of 0.7% when compared to Q1 23/24 collection. This is due to a delay in recovery whilst an error within the bank's direct debit system was resolved. This has now been completed and collection rates are expected to recover in the coming months.
8. Investment Property Income overall collection was 86% at the end of Q1 which is a decrease on the previous quarter at 94.47%.
9. The City's performance for the payment of invoices within 30 days has improved since Q4, however, was still a 4.2% shortfall of the target. See table at appendix 3.

Internal Audit

10. Recruitment to two vacant Senior Auditor positions has been successful, with new team members joining in July and August, bringing the team to full establishment. In addition to this, approval has been requested to bring in additional temporary resource at the Senior Auditor level to offset the impact of vacancy and the skills and experience deficit while the existing Auditors in training are in the substantive phase of their professional development. Consequently, the Internal Audit team is well positioned to achieve the baseline target of 600 audit days delivered in the current year.

Freedoms

11. Freedom Ceremonies continue to receive fantastic feedback. With the number of ceremonies increasing, resilience within the team for conducting ceremonies is beginning to become a concern. In times of unexpected absence of either the Clerk or Deputy Clerk there is a risk that ceremonies would need to be cancelled, which would result in disappointment and a risk of reputational damage. Work is underway to review this issue and a solution will be implemented in due course.

Chamberlain's Transformation

12. In the first quarter, the Chamberlain's Transformation Programme delivered new monthly highlight reports for each project workstream which informs a monthly dashboard (see appendix 4). The dashboard and workstream status are reviewed by the Senior Leadership Team at the monthly management team meeting enhancing transparency and accountability, providing a clear view of the programme's performance and progress.
13. Nominated projects are presented in detail to the Chamberlain's Transformation Board which provides oversight and support ensuring financial, technological, and commercial alignment. The board collaborate to recommend mitigating actions to impact.
14. Q1 2024/25 has been a period of significant progress under the digital first strategic pillar. Teams successfully retired the H Drive in May 2024 and are embracing the SharePoint platform. The Income Manager System; CivicaPay completed the user acceptance testing (UAT) phase and went live in June 2024. Significant progress is being made on the ERP programme, with the system integrator partner procurement process producing a preferred bidder at the end of June.

Commercial Services

15. The Commercial service commenced the recruitment campaign to recruit to vacancies within the team. They have initiated the project to update the current contracts system. The team also embarked on training in advance of the new Procurement Act coming into effect from September 2024.

16. The Responsible Business Team published the first annual Responsible Procurement Impact Report 2023-24 in June, highlighting the responsible procurement achievements delivered in the last financial year.

Change and Portfolio Delivery

17. The Transformation team have led several workshops with the Executive Leadership team in the lead up to the Resource Allocation Away Day. The sessions posed the challenge to review the current activities and programmes through the alignment with the new corporate plan and transformation lens.

18. Work continues on the Income Generation opportunities, enabling business areas to develop business cases and mobilise plans.

19. The portfolio delivery team in quarter one approach the end of the design phase of the programme, they finalised the programme health checks, and a draft project procedure is being socialised with the working group.

Conclusion

20. The Chamberlain's Department will continue to build on the progress made in 2023/24 and work to deliver the 2024/25 departmental business plan and support the wider Corporate Plan and People Strategy.

Corporate & Strategic Implications

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

Financial implications – The 2024/25 Business Plan reflected a 3% inflationary increase on pay and prices against the departmental budget as agreed by Court of Common Council in March 2024.

Resource implications – In Q4 of 2023/24, a restructure of the Commercial and project teams as announced. This was proposed to develop an integrated Commercial and Project Governance Service. The new approved structure vacancies will be recruited to throughout 2024/25.

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.

Background Papers

Draft Chamberlain's Business Plan for 2024/25 – 23 January 2024

Draft Commercial Business Plan for 2024/25 – 23 January 2024

Appendices

Appendix 1 – Chamberlain's Business Plan update

Appendix 2 – Commercial Business Plan update

Appendix 3 – Payment performance Q1

Appendix 4 – Chamberlain's Transformation Dashboard

Appendix 5 – KPIs Dashboard

Hayley Puhlhofer

Head of Chamberlain's Office

T: 0207 332 1033

Hayley.Puhlhofer@cityoflondon.gov.uk