

City of London Corporation Committee Report

Committee(s): Finance Committee – For information	Dated: 29 April 2025
Subject: Chamberlain's Business Plan Quarter 4 2024/25 update	Public report: For information
This proposal: <ul style="list-style-type: none"> • delivers Corporate Plan 2024-29 outcomes • provides statutory duties • provides business enabling functions 	Chamberlain's Department as a support service aims to impact all six outcomes in the Corporate Plan directly or indirectly.
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	Budgets already agreed by this committee for 2024/25
Has this Funding Source been agreed with the Chamberlain's Department?	Yes, within budget estimate and capital funding already agreed
Report of:	The Chamberlain
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 four of 2024/25.

Highlights from quarter four of 2024/25 include:

- Financial Shared Services have completed Annual Billing with all Council Tax and Business Rates bills dispatched on time.
- Internal Audit achieved the 600 audit days target for the 2024/25 year.
- Programme Sapphire (the ERP Programme implementing SAP Financials and HR) continued to track to Plan. The full design was signed-off for HR & Payroll and Wave 1 deliverables have been built (Learning Management System, Performance & Goals and Recruitment) and will go live in Q1 2025/26. Wave 2 build is due to complete at the end of Q1 2025/26 (Core HR & Payroll) and Wave 3 (Finance) will sign off design and then commence build in the next quarter. The programme is tracking to budget and is resourced to plan. The overall status is tracked as Amber while the detailed planning is completed for Wave 2 / 3.

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 four of 2024/25.

Current Position

Financial Services Division & Corporate Treasury

2. The production of medium-term cash flow modelling for both City Fund and City's Estate has now transitioned into business as usual. At the February meeting, the Investment Committee received an update on the latest cashflow forecast position, considering significant decisions made around the Barbican Renewal Programme and Markets. This collaborative effort between Chamberlain's and the City Surveyor's teams informs Members about the cash flow requirements for City Fund and City's Estate over the medium-term financial plan. Investment Committee agreed a capital realisation strategy to ensure sufficient liquidity for major project costs, daily operations, and unforeseen expenses. Additionally, for City's Estate, the proposed strategy aligns with the broader asset allocation targets, considering the timeframes necessary for the disposal of illiquid property investment assets.
3. The 2025/26 *Treasury Management Strategy Statement and Annual Investment Strategy (relating to Treasury Management)* was approved by the Court of Common Council at their March meeting.

Financial Shared Services

4. Annual Billing for Business Rates and Council Tax was completed on time with the Second Home Premium for Council Tax being implemented and all impacted residents being notified in advance of the bill. This is the first-year e-billing has been available for all Council Tax and Business Rates customers since it was rolled out in September 2024.
5. In-year collection rates for Council Tax during Q4 2024/25 is at 97.9% which is an increase of 1.3% when compared to Q4 23/24. This is the best in-year collection performance since 2018/19 and the best since the Covid Pandemic.
6. In-year collection rates for Business Rates during Q4 2024/25 is at 97.32% which is an increase on 96.07% when compared to Q4 23/24 collection.
7. Investment Property Income overall collection was 94.70% at the end of Q4 which equates to £8.5m of arrears. £40.7k is subject to an ongoing arrangement and circa £50k relates to former tenant arrears. £3.6m is with City Solicitor's for further action.

8. The City's performance for the payment of invoices within 30 days has improved since Q4, with 95.35% paid within 30 days, however this is still 1.65% short of the target.
9. Housing and Council Tax Benefit claim processing performance has improved from Q3. Days to assess new claims has improved from 12.44 days to 10.23 days and changes of circumstance have been assessed in 3.23 days, which is a marginal increase from 3.05 days in Q3.

Internal Audit

10. The Internal Audit team achieved the baseline target of 600 audit days delivered in 2024/25 and remains on target to achieve the longer-term target of 1000 audit days per year by 31/03/2026. Sufficient work has been completed to enable the Head of Internal Audit to form an opinion on the overall adequacy of the Internal Control Environment, Governance and Risk Management arrangements, this opinion will follow on completion of the detailed analysis of audit findings. Excellent progress has been made in transitioning to the new Global Internal Audit Standards in accordance with the Internal Audit Strategy.

Chamberlain's Transformation

11. **Programme Sapphire (ERP)** completed the build and testing for the first deliverable, the learning management system. Work continues on the design of the chart of accounts for the new SAP system. A key focus for Q4 was resourcing the team to deliver the programme and enabling the change and engagement workstreams.
12. The **Digital, Data and Technology Strategy 2024-2029**, was launched at the end of 2024 and the Chamberlain's Transformation Board met in January to identify opportunities across the department where the new strategy can be utilised to create efficiencies, such as AI bots to answer general enquiries, automation of reporting and modernising our processes.
13. The **Financial Services Transformation (FIT Strategy)** is under development, whilst the strategy is being refined, the transformation works have continued. A skills assessment was completed for all team members to inform the training programme for 2025/26; the budget setting process reset was delivered for 2025/26 and will be refined for 2026/27; and reporting templates have been updated. Further transformation is planned for 2025/26, in preparation for the implementation of the SAP Finance system in April 2026.
14. The **Commercial Improvement Programme** is now underway, Q4 of 2024/25 was focused on designing the new service, with consultation being completed on transitioning to a category structure (taking effect from 1st April 2025). The Procurement Act 2023 has come into effect in February and internal and supplier facing documentation and processes have been updated in conjunction with the Comptrollers team to comply with the legislative changes. Engagement was commenced with internal commercial service users on the new upcoming Procurement Policy, which will be presented to Members of this committee in June. Finally, the Training and Development workstream, undertook a training

needs analysis for all Commercial Team Members to design the 2025/26 training programme.

Commercial, Change and Portfolio Delivery

15. The Commercial Service has completed significant work in readiness for the new procurement act which is now in effect. Training sessions have been rolled out to stakeholders across the Corporation and the appropriate policies, templates and processes have been updated to reflect the legislative changes. These will be monitored for improvements throughout 2025.
16. The new Project Management System, Cora, has been developed and configured. Training on the new system will commence in Q1 25/26. Work continues on the new project procedure and gateways which will be presented for committee approvals in July 2025.
17. The CCPD Service is now fully resourced, skills and competency assessments are being undertaken and a learning and development programme will be launched alongside start of year appraisals.

Conclusion

18. The Chamberlain's Department have made good progress on the 2024/25 business plan and will work to build on this success in the 2025/26 Business Plan.

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 – The recruitment campaign to fill the new roles in the Commercial, change and portfolio delivery division was undertaken in Q2 the team are now fully resourced.

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 progress report

Appendix 2 – Transformation Dashboard

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