

ABERDEEN CITY COUNCIL

COMMITTEE: Finance and Resources
DATE: 28 January 2010
REPORT BY: Director and City Chamberlain
TITLE OF REPORT: Capital Budget Progress Report
REPORT NUMBER: CG/10/004

1. PURPOSE OF REPORT

- 1.1 This report provides an update to Committee of the progress being made on the various projects within the Non-Housing Capital Programme, previously approved by Council, which are currently aligned to Corporate Governance services.

2. RECOMMENDATION(S)

- 2.1 It is recommended that the Committee considers and notes the content of this report in relation to the projects outlined at Appendix A.

3. FINANCIAL IMPLICATIONS

- 3.1 The monies required to fund the capital programme are achieved through external borrowing, capital receipts and grant income. The General Fund has adequate resources available to finance the capital spend in 2009/2010.
- 3.2 The overall cost of Capital is calculated on a Council-wide basis and therefore the impact on the Council will be included within the summary report to Finance and Resources Committee. It is important that approved projects are managed and monitored in a robust way to ensure there is accuracy in relation to expenditure projections and thereby enable the Council to calculate and evaluate the overall need for, and cost of, borrowing

4. SERVICE & COMMUNITY IMPACT

- 4.1 The Council operates within overall capital control mechanisms laid down by the Scottish Government as well as recommended accounting practice and policies in accordance with the Prudential Code.

5. OTHER IMPLICATIONS

- 5.1 Failure to invest adequately in the Council's asset base may lead to the Council not complying with current health and safety requirements nor capturing the benefits that can be derived from, for example, improved design and construction practices.
- 5.2 If the continuation of close budgetary control is not exercised and maintained the Council may operate out-with the capital control mechanisms laid down by the Scottish Government in relation to the Prudential Code for the 2009/2010 Non Housing Capital Programme.

6. REPORT

- 6.1 Appendix A outlines the Non-Housing Capital Programme projects aligned to Corporate Governance services and provides for each project the budget for 2009/10, spend to the end of November 2009 and forecast out-turn. The appendix also outlines future years budget profiles and any current project forecast variance.
- 6.2 The spend to the end of November 2009 only reflects payments made and processed. It excludes commitments that have been made which will be due to be paid by the end of the year. Such commitments will be reflected in the forecast position.
- 6.3 Comments on particular projects, where appropriate, are included in the narrative.
- 6.4 A review of projects is being undertaken specifically the benefits to be derived from ICT investment.

7. AUTHORISED SIGNATURE

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9. BACKGROUND PAPERS

Financial ledger data, extracted for the period.

Non-Housing Capital Projects – Corporate Governance

Project	Total Approved Project Costs (from 2009/10 for Rolling Projects) £'000	Previous Years Project Spend £'000	2009/10				Future Years Budget Profiles			Total Forecast Costs £'000	Project Forecast Variance £'000
			Total Budget 2009/10 £'000	Spend as at 30/11/09 £'000	Commitments £'000	Forecast Out-turn £'000	2010/11 £'000	2011/12 £'000	2012/13 £'000		
334 Mobile Working	1,570	Rolling	1,370	18	382	400	970	0	0	1,370	(200)
Project Description/Project Cost											
<p>Providing ICT equipment to allow mobile working for any Service that will benefit from adopting such an approach. Three tender processes are live at the moment. One for the equipment to enable mobile working; one for a storage audit; and a third for building business cases to help services make the changes that mobile working can offer. There will be spending requirements in future years as this project cannot be achieved in just one year and therefore a need to reprofile spend into 2010/11.</p>											
630 Data Centre Move	5,749	814	4,135	150	50	200	4,335	400	0	5,749	0
Project Description/Project Cost											
<p>This is for the Council's main Data Centre move from St Nicholas House. The forecast is subject to review based upon the outcome of an appraisal of the options for provision of this requirement. This is the subject of a separate report to committee with a further update scheduled for January 2010. It is currently anticipated that the majority of spend will now fall into 2010/11 and the budget has been reprofiled to reflect this.</p>											

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657 Customer First Programme	4,064	Rolling	1,261	116	178	294	2,850	520	400	4,064	0
Project Description/Project Cost											
The Customer First Programme is a key vehicle for transforming the way in which our customers access our services and is specifically focused on delivering the infrastructure to make this happen. There are 2 key projects within the programme: 1) the development of a Customer Contact Centre and Training Suite at Fredrick Street 2) the implementation of the Customer Relationship Management system. The development of the Customer Contact Centre accounted for the bulk of the expenditure in this financial year (09/10). The outline project plan for the refurbishment of Fredrick Street is now available and it is evident that the expenditure will be largely incurred in 10/11. The profile has been amended to reflect this.											
277 IT Infrastructure Improvements, Repairs/Renewals	4,617	Rolling	1,422	345	387	732	1,776	1,023	1,086	4,617	0
Project Description/Project Cost											
Continuing project to improve the ICT infrastructure and the ongoing replacement of ICT infrastructure assets. 50% of this allocation is linked to ICT infrastructure for the proposed new Data Centre. Progress on this project will impact on the current forecasts.											

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346 IT Hardware & Software Development	220	Rolling	220	10	197	207	0	0	0	207	(13)
Project Description/Project Cost											
For the purchase of new items of hardware and software for Services in the Council. The internal audit system is now not likely to be required hence the reduction in anticipated outturn and a projected underspend of £13,000.											
565 ICT Disaster Recovery Funding	460	Rolling	160	75	85	160	100	100	100	460	0
Project Description/Project Cost											
To fund the reduction or elimination of prioritised single points of failure on the ICT infrastructure. Final decisions are currently being made in respect of several improvements that will be funded from this allocation.											

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666 Corporate Asset Management System	1,296	923	373	57	204	261	112	0	0	1,296	0
Project Description/Project Cost											
Procurement and implementation of the Corporate Asset Management System. In terms of progress this project has made significant headway in recent months. Phase one of the work is now completing. However delays in the Non Housing implementation element will require a reprofiling of costs into the next financial year.											
708 E Government Stage 4 Implementation	475	40	435	30	81	111	150	100	74	475	0
Project Description/Project Cost											
Electronic Service Delivery gives citizens access to back end systems via the website. This allows self service which is sought by citizens. It also facilitates efficiencies within the council in respect of processing of forms etc. ICT is working with Services to draw up business cases. Delivery of the business cases will require joint working between the Services and ICT. There is potential to increase the pace of delivery hence less than expected progress this year will necessitate a reprofiling into next and future years.											

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709 Integrated Document Management	2,210	530	880	137	519	656	824	200	0	2,210	0
Project Description/Project Cost											
Implementation of a corporate electronic document management and workflow solution. Will ensure that paper and digital based records are available to all parts of the council. This work is a direct support to many processes being delivered more efficiently. The pace of implementation needs to be increased and this is being addressed. It will therefore require reprofiling to next financial year.											
711 Electronic Corporate Performance Management System	180	80	100	27	18	45	55	0	0	180	0
Project Description/Project Cost											
The purpose of this project is to improve the Council's measurement, monitoring, reporting and management of performance and project data											

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714 Identity Management	248	181	67	10	40	50	0	0	0	231	(17)
Project Description/Project Cost The outcome of this project is to create a link between several ICT systems all of which hold and use information about employees. The development work will now be achieved by a method different to that included in the initial costs. This will result in the same outcome, less cost and therefore better value. Projected underspend of £17,000.											
690 Consol Upgrade/ Replacement	603	463	140	89	51	140	0	0	0	603	0
Project Description/Project Cost Upgrade or replacement of the existing job costing system for Building Services and Roads services with possible extension for Environmental & Ground Services. Budget has been fully committed with development being delivered as part of the system changes. Outstanding balance expected to be cleared by early 2010.											

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746 Application Processing System	113	Rolling	73	10	37	47	20	10	10	87	(26)
Project Description/Project Cost											
Ongoing review of planning systems to meet the requirements of the Planning etc (Scotland) Act 2006 and the development of e-planning. Underspend of £26,000.											
771 New HR/Payroll	525	0	125	0	5	5	120	400	0	525	0
Project Description/Project Cost											
Procurement and implementation of a new HR/Payroll. Currently options are being explored. If EU procurement is adopted the outcomes would not be expected until into 2010 necessitating a reprofiling of project costs to future years.											

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769 Police - Capital Grant	5,995	Rolling	1,433	955	478	1,433	1,491	1,520	1,551	5,995	0
Project Description/Project Cost											
This is fully committed and will be paid in full by the year-end to Grampian Police. It represents the total sum requisitioned by Grampian Joint Police Board to the City Council being our share in support of the Board's capital programme. Future years requisitions are subject to review and the outcome of the setting of the Police Capital Budget by Grampian Joint Police Board.											
Total Corporate Governance	28,325	3,031	12,194	2,027	2,714	4,741	12,803	4,273	3,221	28,069	(256)

Notes:

Spend as at 30/11/09 reflects payments made only and not the costs of commitments made for orders placed or work in progress for accepted tenders which will be reflected in the forecast position.

Future Years Budget Profiles are subject to review and then approval by Council in February 2010.