

COMMITTEE	Strategic Transformation
DATE	9 February 2018
REPORT TITLE	Transformation Portfolio – Budget Update
REPORT NUMBER	CG/18/011
DIRECTOR	Steven Whyte
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1. PURPOSE OF REPORT:-

- 1.1 The purpose of this report is to provide an update on the budget available and committed for the transformation portfolio.

2. RECOMMENDATION(S)

- 2.1 It is recommended that the Board:

- a) Note the contents of this report; and
- b) Agree the allocation of funding from the Transformation Fund for the Commitments for Approval as detailed in Appendix 1, subject to decisions taken by the committee in relation to other reports on this agenda.

3. BACKGROUND/MAIN ISSUES

- 3.1 The establishment of a £15 million transformation fund, through the reallocation of existing earmarked reserves, was agreed by Council at its meeting on 23 August 2017, on the basis that this investment will be “refunded” as part of the transformation portfolio within 5 years.
- 3.2 Commitments against this fund were considered and approved by the Strategic Transformation Committee at its meetings on 4 October 2017 and 14 November 2017.
- 3.3 This approval included the creation of a budget of £250k for initial set up costs with delegated authority provided to the Head of Finance, following consultation with the Convener of the Committee, to approve spend against this budget on receipt and consideration of a business case.
- 3.4 Appendix 1 provides details of the current approved commitments (£6.196m), commitments for approval as detailed within the business cases presented to this committee and/or as a result of a review of staff supporting the transformation portfolio (£2.865m) and the resultant total commitments

(£9.061m). Should all requested commitments be approved the remaining uncommitted balance on the fund will be £5.939m.

- 3.5 Investment in transformation will realise benefits for the Council which must be clearly quantified and tracked. Such benefits will flow through from business cases put forward and as these are approved will be recorded against the relevant board in Appendix 1 and reported accordingly. This will include monitoring against the estimated benefits/returns previously presented to this committee.

4. FINANCIAL IMPLICATIONS

- 4.1 A £15 million transformation fund has been made available on the basis that the investment realises financial benefits which will effectively refund that investment within 5 years.
- 4.2 This report requests the allocation of funding and provides an update on commitments against the transformation fund.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

Financial

- 6.1 Every organisation has to manage the financial risks inherent in the operation of large and complex budgets. These risks are minimised by the regular review of financial information by services and corporately by Elected Members. This report is part of that framework and has been produced to provide an overview of current transformation spend and so financial risk related to this report is considered to be low.

Other

- 6.2 Consideration has also been given to Employee, Customer / Citizen, Environmental, Technological and Legal risks, and no risks were identified.

7. IMPACT SECTION

Economy

- 7.1 Investment in the City will have a positive impact on the economy.

People

- 7.2 Robust management of the council's finances will ensure that council services can continue to be provided.

Place

- 7.3 Investment will enhance the place by creating a better and more vibrant city in which to live.

Technology

- 7.4 There are no direct implications on technology arising from recommendations in this report.

8. BACKGROUND PAPERS

None

9. APPENDICES

Appendix 1 – Transformation Fund – Budget & Commitments

10. REPORT AUTHOR DETAILS

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