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| COMMITTEE | Strategic Transformation |
| DATE | 9 March 2018 |
| REPORT TITLE | Transformation Portfolio – Budget Update |
| REPORT NUMBER | CG/18/034 |
| DIRECTOR | Steven Whyte |
| REPORT AUTHOR | Sandra Buthlay |

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 Committee note the contents of this report

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, 14 November 2017 and 9 February 2018.
- 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 (£9.061m). There are no further commitments for approval at this time.
- 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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