



## Policy and Resources Committee - 12 February 2018

### Request to transfer ICT funding from the Development Pool to the Approved Capital Programme 2017/18

#### Purpose of report

To request authorisation to transfer a number of ICT projects from the Development Pool to the Approved Capital Programme 2017/18.

#### Attachment(s):

Appendix 1 – Current Capital Programme 2017-18

#### 1. Introduction

- 1.1. The main aim of the Capital Programme 2017/18 to 2026/27 is to set out a programme which is affordable, ensures business continuity for the council's services and enables investment in council priorities.
- 1.2. The programme is also focussed on meeting statutory obligations and investing in assets to improve revenue income streams to the council.
- 1.3. Following approval by Council, Finance Sub Committee has responsibility for monitoring and controlling the annual development pool and capital programme, which includes approving the transfer of projects from the development pool into the main capital programme. Due to the timescales involved, this request is being submitted to Policy and Resources Committee, as the principal policy committee.
- 1.4. The current Capital Programme was approved at Council on 1 March 2017. Further updates have been approved. The current Capital Programme can be seen in Appendix 1.

#### 2. ICT Costs

- 2.1. ICT request that two areas of budget are now transferred into the approved capital programme to allow for furtherance of projects on the ICT Transformation Programme and progression of the Telephony Project. Additional capital funding is required to deliver these solutions and ensure they are appropriately supported.
- 2.2. There is currently £114,000 in the Development Pool in 2017/18 for 'Business Transformation Resource'. This was retained in the development pool for 'work including works around system migration and follow on works required to office space which becomes vacant following removal of IT equipment.' From this budget the following amounts are being requested for approval:

Purpose	Amount £
The delivery of products including System Migration to the new Data Centre and additional projects on the ICT Transformation Programme.	16,473
The delivery of a web filtering product and security product in line with outcomes from the ICT Transformation programme.	10,485
<b>Total</b>	<b>26,958</b>

- 2.3. The above represents the East Northamptonshire Council (ENC) committal for our half of the costs. The Borough Council of Wellingborough (BCW) share has been accounted for by BCW as part of its financial management processes. It is recommended that the remaining budget of £87,042 is retained in the Development Pool.
- 2.4. In addition to the above, there is also currently £10k remaining in the Development Pool for 'Telephony'. When the initial Telephony budget was called off, a recommendation was made to retain £10k to allow for integration of the telephony system with other Council systems. This was concerned with potential integrations with the Customer Relationship Management (CRM) System and Office 365. As the Telephony project has developed and the solution designed, these two elements of works are no longer required and this budget will no longer be required for this purpose.
- 2.5. However, the Telephony, iDox and Payment Systems projects have experienced delays as a result of issues outside of the projects' control and therefore additional funding is required to support these projects to ensure successful delivery of these products. Without this additional support it will not be possible to deliver these projects within time and budget given the existing resources available within the ICT Service.
- 2.6. It is therefore requested that this budget is used to support product delivery of the Telephony, iDox and Payment Systems projects. The BCW share has been accounted for by BCW as part of its financial management processes.

### **3. Equality and Diversity Implications**

- 3.1. There are no known equality and diversity issues arising from this report.

### **4. Legal Implications**

- 4.1. There are no known legal implications arising from this report.

### **5. Risk Management**

- 5.1. There will be some risks as part of the project implementation; these will be identified and managed through the project framework.
- 5.2. If we do not complete this work, we leave ourselves open to similar ICT issues as recently occurred where the council lost its network connection for the best part of a working day.

### **6. Resource and Financial Implications**

- 6.1. This report is of a financial nature and the implications are set out within the report.

### **7. Constitutional implications**

- 7.1. There are no constitutional implications arising directly from this report.

### **8. Implications for our Customers**

- 8.1. This work will have a positive impact on our customers as investment in our IT systems will mean that provision of our services is more resilient and robust. An additional benefit is that it will allow cross skilling of staff also.

**9. Corporate Outcomes**

9.1. This report links to the following Corporate Outcomes:

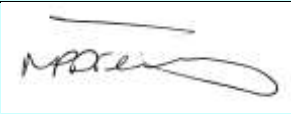
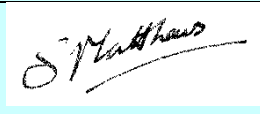
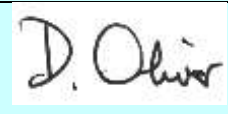
- **Effective Management**  
*Monitoring of the Capital Programme allows the council to manage and review its financial performance, contributing to the effective management of the council.*
  
- **Good Value for Money**  
*This report demonstrates the cost of services provided, which contributes to this corporate outcome.*

**10. Recommendations**

10.1. The Policy and Resources Committee is asked to approve:

- the transfer of £26,958 for the cost of the ICT programme from the Development Pool to the Approved Capital Programme (as per paragraph 2.2 of this report); and
  
- the transfer of £10,000 from the Development Pool to the Approved Capital Programme for the Telephony, iDox and Payment System projects (as per paragraphs 2.4-2.6).

*(Reason: To ensure the resilience and robustness of our IT systems and to comply with the formal approval process for the Approved Capital Programme)*

<b>Legal</b>	Power: Local Government Act 2003				
	Other considerations:				
<b>Background Papers:</b>					
<b>Person Originating Report:</b> Michelle Drewery, Finance Manager <a href="mailto:mdrewery@east-northamptonshire.gov.uk">mdrewery@east-northamptonshire.gov.uk</a>					
<b>Date:</b> 30/01/2018					
<b>CFO</b>		<b>MO</b>		<b>CX</b>	

(Committee Report Normal Rev. 22)

Capital Programme	2017/18							Total 2017/18 to 2026/27 £
	Original Budget	B/Fwd	Approved within year	Current Budget	Actual + Committed	Forecast 2017/18	Variance Actual-v-Budget	
	£	£	£	£	£	£	£	
Disabled Facilities Grants	500,000	130,565	-	630,565	349,683	538,000	(92,565)	630,565
Housing Projects	-	129,400	27,000	156,400	31,000	156,340	(60)	156,400
Commercial Property	-	-	3,900,000	3,900,000	3,888,270	3,888,270	(11,730)	3,900,000
Leisure and Tourism Projects	25,000	140,000	-	165,000	165,000	165,000	-	165,000
Environment Projects	270,000	-	10,000	280,000	265,254	300,000	20,000	280,000
Corporate Systems	260,000	412,017	(88,268)	583,749	337,217	584,421	672	583,749
Superfast Broadband	300,000	-	-	300,000	300,000	300,000	-	300,000
Asset Management Plan	-	-	86,000	86,000	69,007	86,000	-	86,000
<b>Total</b>	<b>1,355,000</b>	<b>811,982</b>	<b>3,934,732</b>	<b>6,101,714</b>	<b>5,405,431</b>	<b>6,018,031</b>	<b>(83,683)</b>	<b>6,101,714</b>

Capital Project	2017/18							Total 2017/18 to 2026/27 £
	Original Budget	B/Fwd	Approved within year	Current Budget	Actual	Forecast 2017/18	Variance Actual-v-Budget	
	£	£	£	£	£	£	£	

Disabled Facilities Grants	500,000	130,565		630,565	349,683	538,000	(92,565)	630,565
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<b>Disabled Facilities Grants</b>	<b>500,000</b>	<b>130,565</b>	<b>-</b>	<b>630,565</b>	<b>349,683</b>	<b>538,000</b>	<b>(92,565)</b>	<b>630,565</b>
CPO Carnegie Street - P&R 10/10/16	-	129,400		129,400	4,064	129,400	-	129,400
Housing Investment - Duck St.	-	-	27,000	27,000	26,936	26,940	(60)	27,000
<b>Housing Projects</b>	<b>-</b>	<b>129,400</b>	<b>27,000</b>	<b>156,400</b>	<b>31,000</b>	<b>156,340</b>	<b>(60)</b>	<b>156,400</b>
1-6 Eaton Walk & 103 High St.			3,900,000	3,900,000	3,888,270	3,888,270	(11,730)	3,900,000
<b>Commercial Property</b>	<b>-</b>	<b>-</b>	<b>3,900,000</b>	<b>3,900,000</b>	<b>3,888,270</b>	<b>3,888,270</b>	<b>(11,730)</b>	<b>3,900,000</b>
Freedom Leisure	-	140,000		140,000	140,000	140,000	-	140,000
Stanwick Lakes - Infrastructure	25,000			25,000	25,000	25,000	-	25,000
<b>Leisure and Tourism Projects</b>	<b>25,000</b>	<b>140,000</b>	<b>-</b>	<b>165,000</b>	<b>165,000</b>	<b>165,000</b>	<b>-</b>	<b>165,000</b>

Purchase of Wheeled Bins	270,000		10,000	280,000	265,254	300,000	20,000	280,000
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AMP - Splash Centre									47,000
<b>Leisure and Tourism Projects</b>	-	-	-	-	-	-	-	-	72,000
Purchase of Wheeled Bins									720,000
Housing Investment-Duck St. (P&R 11/07/16 + Council 18/07/16)		40,000	(27,000)	13,000					13,000
<b>Environment Projects</b>	-	40,000	(27,000)	13,000	-	-	-	-	733,000
Print Room Asset Management									74,000
<b>Central Services Projects</b>	-	-	-	-	-	-	-	-	74,000
Stanwick Lakes - Infrastructure									625,000
End User Devices (Desktops, Laptops, Tablets, Scanners)	30,000	42,160		72,160					297,160
Replacement Printers & Scanners		4,194		4,194					4,194
Data Infrastructure Equipment (Data Centre & Council Offices)		99,625	(92,250)	7,375					177,375
Security Systems		19,005	(19,005)	-					45,000
Licences	139,500	40,698	(180,198)	-					1,612,233
Replacement Hardware		9,968	(9,968)	-					-
Committee Management System	18,000			18,000					18,000
CRM Replacement		64,000	(64,000)	-					60,000
NEW - Network Refresh			130,000	130,000					130,000
NEW - Meeting Room AV Equipment			30,000	30,000					30,000
NEW - Business Transformation Resource			114,100	114,100					114,100
NEW- Project Resources (Telephony Project initially)			10,000	10,000					10,000
Telephony System	50,000		(50,000)	-					-
ESRI - GIS Upgrade				-					30,000
Oracle Licensing & Physical servers	50,000	30,000	(80,000)	-					-
Mobile Working Solution	25,000	44,660		69,660					69,660
Revs & Bens EDRMS Solution	30,000	50,000	(30,000)	50,000					50,000
Website Replacement		85,000	(85,000)	-					25,000
Replacement Finance System	15,000		(15,000)	-					20,000
<b>Corporate Systems</b>	<b>357,500</b>	<b>489,310</b>	<b>(341,321)</b>	<b>505,489</b>	-	-	-	-	<b>3,317,722</b>
AMP - Rushden Centre	103,000			103,000					273,000
AMP - East Northamptonshire House	133,000		(106,000)	27,000					604,000
AMP - Industrial Units	60,000		(60,000)	-					360,000
AMP - Eaton Walk	-		-	-					-
AMP - High St	-		73,400	73,400					73,400
AMP - Polebrook Cemeteries	10,000		(10,000)	-					-
AMP - Village Drains	10,000		(10,000)	-					-
AMP - Public Car Parks	30,000			30,000					30,000
AMP - Contingency	-		20,000	20,000					200,000
<b>Essential Property Maintenance</b>	<b>346,000</b>	-	<b>(92,600)</b>	<b>253,400</b>	-	-	-	-	<b>1,540,400</b>
Replacement Dog Warden Vans				-					49,800
<b>Vehicle Replacements</b>	-	-	-	-	-	-	-	-	49,800
<b>Total Development Pool</b>	<b>703,500</b>	<b>529,310</b>	<b>(460,921)</b>	<b>771,889</b>	-	-	-	-	<b>10,286,922</b>
<b>Expenditure</b>	<b>2,058,500</b>	<b>1,341,292</b>	<b>3,473,811</b>	<b>6,873,603</b>	<b>5,405,431</b>	<b>6,018,031</b>	<b>(83,683)</b>		<b>16,388,636</b>
<b>Income from grants and external receipts</b>				<b>830,565</b>	<b>830,565</b>	<b>830,565</b>			<b>6,087,339</b>
<b>Net total approved programme and development pool</b>				<b>6,043,038</b>	<b>4,574,866</b>	<b>5,187,466</b>	<b>(83,683)</b>		<b>10,301,297</b>