

Capital Ambition Board

Capital Ambition Director's Report

Item no: 4

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Summary This report provides an update on the following:

- Financial position
- Work programme

Recommendations It is recommended that Board members:

- a) Note the financial summary.
- b) Note the progress on grant funded projects.
- c) Note the progress on actions from the October CAB meeting.

Appendices:

A: Current Financial Statement
B: Project Status

DIRECTOR'S REPORT

Financial Position

1. The current financial position is set out in **Appendix A**. The uncommitted balance to 31 March 2020 is £90k at 30 November 2017.
2. This balance takes into account forecast programme office costs; project commitments; and £35k of London Ventures income, an increase of £10k since the October report.
3. The London Ventures programme is designed to derive income, to be reinvested in innovation. No income projections are included in the calculations provided, although the pipeline of implementation is covered in more detail under agenda item 5.
4. All London Ventures income will be used to support the continuation of the London Ventures programme beyond the funded period, from 23 August 2016 to 22 August 2019.

Work Programme

5. In addition to the London Ventures programme, the Capital Ambition work programme covers two other key areas of work as shown in Appendix B, and described below.
6. The London Ventures work programme is agreed by the operational team at biannual intervals, the current statement of work covers the period from end of October 2017 – end February 2018.
7. Progress on the London Ventures programme is covered under agenda items 5 and the exempt items.

Health and social care

8. At the July Board meeting the decision was made to grant fund phase two work on health and social care. This will be used to continue the important work, overseen by the London Health Board, to advance the health and social care integration agenda.
9. Since the last CAB meeting in October a health and social care devolution memorandum of understanding has been signed by all parties – aiming to accelerate this area of work. CAB's contribution to this important milestone was recorded with thanks in the summary report.

Behavioural Insights

10. Dissemination of the results of the two completed trials is underway using established professional networks, as agreed by CAB in October. The Behavioural Insights Team

will be presenting the results of the recycling trial to the London Environment Directors Network in the New Year, and are seeking to coordinate further outreach with DEFRA. BIT will also be speaking presenting to the Revenues and Benefits network and the Deputy Treasurers Group in early 2018.

11. The three new projects that CAB approved at its July Board are progressing. They were designed to test the application of behavioural science in the following areas:
 - a. Improving decision making in children's social care;
 - b. Improving communications around prevention and early help, including messaging around foster care recruitment; and
 - c. Improving immunisation rates of MMR.
12. Regular progress updates will be included for the Board, and a presentation of results organised for late in 2018.

London Ventures – seed funded projects – actions from October 2017 Board meeting

13. In accordance with decisions made by the Board in October 2017 the team has issued two grant awards, one to London Borough of Southwark to support the development of a predictive analytics module for the early identification of those persons most at risk of becoming homeless; and the second to London Borough of Tower Hamlets to assist the preliminary work required to release the GLA innovation funding for the modular housing project.
14. In addition to the grant awards the team have issued two invitations to tender for the transition insurance, and property listing platform concepts to work these up into solutions. We anticipate letting these contracts in time for work to begin in the first week of January 2018.

Financial implications for London Councils

15. The Director of Corporate Resources reports that Appendix A summarises the projected Capital Ambition fund balance at the end of the 2019/20 financial year. Taking the forecast costs of £1.898 million over the next two financial years (2018/19 and 2019/20) into account, this reduces the Capital Ambition fund to a closing uncommitted balance of £91,337 at 31 March 2020, which includes £35,719 for the London Ventures Sustainability Fund which will need to increase significantly to support the continuation of the programme beyond the contract funded period – which ends on 22 August 2019. However this is all subject to the outcome of the 18 month review detailed in item E3 elsewhere on this agenda.

Legal implications for London Councils

16. There are no direct legal implications for London Councils as a result of this report.

Equalities implications for London Councils

17. There are no direct equalities implications for London Councils as a result of this report.

Recommendations

18. It is recommended that Board members:
 - a) Note the financial summary.
 - b) Note the progress on grant funded projects.
 - c) Note the progress on actions from the October CAB meeting.

Capital Ambition - Funding Position as at 30 November 2017

	Programme Office	LV Phase 2 Contract	LV Seed Fund	LV Sustainability Fund	Total
			See note 1	See note 2	
Opening Balance 31 March 2017	-1,207,863	-641,282	-93,850	-10,044	-1,953,039
Indicative Staff costs and operational budget 2017/18	233,322				233,322
Project Spend	20,000	226,674			246,674
Project Commitments	409,973	89,680			499,653
Seed Fund - allocations agreed CAB October 2017			93,000		93,000
Subtotal spend and commitments 2017/18	663,295	316,354	93,000	0	1,072,649
London Ventures Sustainability Fund in year income 2017/18				-25,675	-25,675
Subtotal London Ventures Sustainability Fund				-35,719	-35,719
Indicative Staff costs and operational budget 2018/19	240,923	246,487			487,410
Indicative Staff costs and operational budget 2019/20	248,877	78,441			327,318
Subtotal spend and commitments 2018/19 and 2019/20	489,800	324,928		0	814,728
Uncommitted/ unallocated Balance	-54,768	0	-850	-35,719	-91,337

Notes

1. London Ventures Seed Fund - CAB made an allocation decision at the October 2017 meeting
2. London Ventures Sustainability Fund - income derived from Ventures implementations is 'banked' in the sustainability fund. This fund is required to support the continuation of the programme beyond the contract funded period. Projected income is not included in this table.
3. London Ventures Phase 1 income and expenditure is included in the Programme Office operational and project spend.

Capital Ambition - Project status
Item 4 - Appendix B

Project Name	Lead Organisation	Status	Total Approvals	Total Claimed to Date	Balance to Claim Current	Project End Date Only
London Ventures - Phase 2*	EY	ACTIVE	£906,150	£491,542	£414,608	22 August 2019
Behavioural Insights Work - Phase 1	LB Croydon	ACTIVE	£120,000	£67,737	£52,263	31 October 2017
Behavioural Insights - Phase 2: Immunisations	LB Croydon	ACTIVE	£59,242	£0	£59,242	31 December 2018
Behavioural Insights - Phase 2: Children's social care	RB Kensington and Chelsea	ACTIVE	£140,199	£0	£140,199	31 December 2018
Health and Social Care - Phase 2	London Councils	Initiating	£150,000	£0	£150,000	TBC
Targeted Ventures - Modular Housing**	London Borough of Tower Hamlets	Initiating	£20,000	£0	£20,000	31 July 2018
Targeted Ventures - Predictive Analytics**	London Borough of Southwark	Initiating	£8,000	£0	£8,000	31 July 2018
Targeted Ventures - Property Listing Platform**	London Councils	Initiating	£35,000	£0	£35,000	31 July 2018
Targeted Ventures - Transition Insurance**	London Councils	Initiating	£30,000	£0	£30,000	31 July 2018

* Total approval was originally £1,000,000 - as EY allocated £93,850 from the contract maximum to seed funding possible pilot projects - the total reflects this - such that the maximum value EY can claim is £906,150

** Targeted Ventures funding approvals are from within the seed funding allocation of £93,850