

# Capital Ambition Board

## London Ventures Progress Summary and Options for Future Delivery of the Programme Item no: 5

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### Summary

This cover report introduces the London Ventures Progress Summary and Options for Future Delivery of the Programme report. The report updates the Board on the progress of the Ventures that are currently part of the London Ventures portfolio, and early indications of their impact. The report also sets out options for the future direction of the London Ventures programme.

The report includes a summary of the London Ventures programme commercial structure and detail of the current financial position.

### Recommendations

It is recommended that the Capital Ambition Board receive and discuss the report and agree to:

- a) Note the progress of the London Ventures programme.
- b) Note the programme financial projections.
- c) Note EY's proposals for the future of the programme and consider which options they would like to receive for further consideration at the June 2015 AGM.



## **LONDON VENTURES PROGRESS SUMMARY AND OPTIONS FOR FUTURE DELIVERY OF THE PROGRAMME – COVER REPORT**

### **Background**

1. Capital Ambition's London Ventures initiative was launched on 23 February 2013, with the first generation ventures signed off on 7 October 2013, and second generation ventures followed swiftly, being signed off by CA Board on 14 February 2014.

### **Summary of decisions made at last meeting**

2. At the February 2015 Capital Ambition Board meeting the following decisions were made:
  - a. The Board agreed to take three ventures into delivery usage analytics tool, slow application fix and a local social networks Ventures.
  - b. To progress four third generation Ventures from outline business case to commercial deal stage. Further information can be found in report E3.

### **Key activities February - May**

3. We are due to receive income from the successful Ventures currently in delivery with local authorities.
4. The Quadnet and Centrix Ventures (whose commercial deals were agreed at the last meeting) are developing marketing plans and materials to engage local authorities.
5. There are now a total of three London local authorities signed up to the Xantura Safeguarding Profiling venture: Hackney, Newham and Tower Hamlets. Blue Prism and Oxygen Finance have continued to implement their current projects with partner boroughs as well as generating significant interest from other councils.
6. The profile, status and awareness of London Ventures was improved through a series of targeted activities. In April a marketplace event was hosted by the CIO Council and London Ventures was shortlisted for a Management Consultancy Association Innovation award.

### **Programme financial summary**

7. Income is due to be received from the implementation of a venture. As previously reported the desired self-sustaining model may not be achieved for some time. The programme is currently funded until June.

### **Programme plan and next steps**

8. There are a series of proposals for the future delivery of the programme post June 2015. The options for future programme delivery section set out a range of potential approaches for London Ventures. The Board should note that these options have different potential costs and benefits as well as entailing varying levels of investment and risk. The Board will have the opportunity to consider this in more detail in the June AGM.

### **Financial Implications for London Councils**

9. The Director of Corporate Resources reports there are no direct financial implications arising from this report. Members are reminded that the total approved investment to date is £947,000, however £433,200 of this is in the form of grants to Boroughs, which has yet to be drawn down.
10. EY's financial projections indicate that by the end of June 2015 the Ventures programme is expected to generate a total committed income of £75,540. A further £205,627 of committed income is expected to be by the end of the current financial year.
11. As agreed between London Councils and EY, income generated from the Ventures programme will be used to pay back EY's investment over and above the originally agreed £280,000 jointly owned overdraft facility. London Councils' investment in the programme will be equal with EY's once the overdraft has been reduced to a total of £280,000.

### **Legal Implications for London Councils**

12. There are no direct legal implications from this report. It should be noted that Change Request Notice 3 (CRN3); which covers the additional risk sharing, as approved at the 13 October CA Board meeting was signed and authorised by London Councils and EY in April 2015.

### **Equalities implications for London Councils**

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

### **Recommendations**

14. It is recommended that the CA Board receive and discuss the progress summary and agree to:
  - a) Note the progress of the London Ventures programme.

- b) Note the programme financial projections.
- c) Note EY's proposals for the future of the programme and consider which options they would like to receive for further consideration at the June 2015 AGM.