

Finance and Resources Committee

10.00am, Thursday 17 March 2016

Governance of Major Projects: progress report

Item number	7.2
Report number	
Executive/routine	
Wards	All

Executive summary

The former Policy and Strategy Committee on 7 August 2012 agreed the role and remit of the Corporate Programme Office, (“CPO”), which was to include the supervision of major projects, namely those with a value of over £5million or which are particularly sensitive to the Council's reputation. This report contains an update of the major projects portfolio and the forthcoming assurance review schedule.

Links

Coalition pledges	P03, P20, P23, P27, P28, P36, P41, P44, P47, P49, P51, P53
Council outcomes	C01, C02, CO25, CO26
Single Outcome Agreement	All

Governance of Major Projects: progress report

Recommendations

- 1.1. It is recommended that Finance and Resources Committee note:
 - 1.1.1 the current synopsis of the dashboard reports for the major projects portfolio set out in appendix 1; and
 - 1.1.2 the updated assurance review schedule and findings of assurance review/health check's undertaken since previous reporting to Committee (see section 3.4 - 3.12).
 - 1.1.3 that CPO is now part of the Transformation Team under the new Strategy and Insight Division.

Background

- 2.1 The former Policy and Strategy Committee agreed the role and remit of the Corporate Programmes Office ("CPO"), which was to include oversight of major projects, namely those with a value of over £5million or which are particularly sensitive to the Council's reputation.
- 2.2 In Feb 2016, the CPO function was transferred to the newly created Strategy & Insight Division.
- 2.3 This report forms a scheduled quarterly status update for the Finance and Resources Committee and six monthly to Governance Resource and Best value Committee.

Main report

CPO Reporting Arrangements

- 3.1. Project Managers of each of the major projects are required to complete dashboard reports for each project. These returns seek to establish how key dimensions of the project are progressing and aim to ensure there is clear visibility of the status of each major project within the Council.
- 3.2. It should be noted that the content and sign off of each dashboard report remains the responsibility of the SRO/Sponsor.

- 3.3. A synopsis of the latest set of dashboard summaries is contained in appendix 1. Full dashboard reports are shared in the [major projects folder](#).

Assurance Reviews

- 3.4. The following priority Assurance Reviews will be undertaken over Q4 2015/16 and Q1 2016/17;
- Edinburgh St James,
 - Health & Social Care Integration,
 - ICT Transition & Transformation Programme,
 - Zero Waste.
- 3.5. A health check on the Fleet Services Programme has been undertaken since previously reporting to Committee. This piece of work assessed the Programme as being 'Amber' status and the review team made the following recommendations:
- Strategic Alignment - ensure Programme scope is re-appraised to reflect Council Transformation Programme resulting in a comprehensive Business Case and Programme Definition Document. Present revised Programme to appropriate sponsoring group(s) for approval.
 - Governance - fill programme management role as a priority and communicate a clear understanding of roles and responsibilities.
 - Business Case - Development of a Programme level Business Case that includes scope, benefits, costs, timescales, options and risks.
 - Resource - Board to review current financial management arrangements to ensure comprehensive and current status updates are provided.
- 3.6. Delivery of an efficient and effective service to front line services and their users coupled with delivery of efficiency savings are key drivers for this programme. The health check identified that although the programme is strategically aligned a comprehensive Business Case remains outstanding and closer working with the Council's Transformation Programme is recommended prior to re-approval through appropriate sponsoring groups.
- 3.7. Governance arrangements also need to be strengthened. There had been some changes to resourcing over previous months resulting in a lack of programme management and team roles not being clearly articulated. The health check also recommended that current board arrangements should be reviewed and establishment of an appropriate governance structure, with sponsoring group and associated projects, and to ensure roles and responsibilities of each group is understood.
- 3.8. Since the previous Assurance Review aspects of a Business Case have been developed. However there remains a lack of a coherent cohesive case that draws together all of the key elements and associated interdependencies between the projects that go to make up this programme. In particular there is

still a requirement for a Business Case detailing scope, benefits, costs, timescales, options and risks. An approach to management of the delivery of the £1.2m savings targeted needs documented and owners to realise these benefits agreed.

- 3.9. The health check reported that a comprehensive risk register is still lacking. This has remained outstanding since the previous Assurance Review and it is now critical that such a register is developed that aligns to the Council's risk management standards and management of risk.
- 3.10. In terms of resourcing the health check recommended that the Programme Board ensure there is capacity and capability within the Programme to deliver as key personnel have changed since the previous review. There is also a recommendation that the Board review current financial management arrangements and appropriate financial reporting provided.
- 3.11. The initial Assurance Review recommended that Communication and Stakeholder Engagement plans were developed. The health check found these still to be outstanding and again specified the need to develop these.
- 3.12. Finally, the health check recommended that the Programme be re-appraised against the Transformation Programme.
- 3.13. Since the review in November the project have made some progress in mitigating the governance and resourcing concerns by appointing an interim travel and fleet manager who is fulfilling both the project and business as usual roles and securing support from the Commercial Excellence Programme. In addition the procurement evaluation panel will have representation from Transformation Programme to facilitate strategic alignment with the wider organisation. However full resolution of the actions remains outstanding. Finance representation have been working with the project to review evaluate a variety of funding options. The Programme definition document has been updated however the action to produce an overarching business case remains outstanding and will continue to be an area of focus.

Current highlights in the major projects portfolio

Water of Leith Flood Defence Scheme – Phase 2

- 3.14. Since the previous update to Committee, McLaughlin & Harvey (MCL&H) have been appointed as the Principal Contractor and Mott MacDonald (MMD), Principal Designer.
- 3.15. Ground Inspection works to inform the main works design commenced before Christmas and scheduled for completion by mid February 2016. Preparation of the main compound at Balgreen is complete and Project staff have now relocated there.
- 3.16. Other preparatory works including gas main diversion are underway. Scottish Gas Networks (SGN) commenced these works last September and they are on target to complete on schedule in March 2016.

- 3.17. The main works will commence late spring/early summer and are scheduled to continue through to completion by Feb 2018.

Leith Programme

- 3.18. The project is being progressed in a series of phases to minimise disruption to road users of Leith Walk and the local community. Construction of each phase is delivered via a stand-alone contract, which is awarded shortly before the works for that phase are due to commence. Phases 1 to 3 of the project, covering Constitution Street, Crown Place to Pilrig Street and the Foot of the Walk junction, have been successfully delivered.
- 3.19. A new “tram proofed” design for Phase 4 that covers the area from Pilrig Street to McDonald Road is under design. This will seek to ensure the footway works incorporate tram infrastructure to minimise or negate the need for any further tram works in the footpaths if the project proceeds in the future. Transport and Environment Committee on 12 Jan 2016 approved setting aside Traffic Regulation Order (TRO) objections and making the Order. The two outstanding Redetermination Order (RSO) objections have been referred to Scottish Government for determination. Subject to successful conclusion of the statutory processes described, construction is due to commence late summer 2016.
- 3.20. Phase 5 and 6, McDonald Road to Elm Row and Elm Row to Picardy Place are at concept design phase and construction expected to commence after completion of Phase 4. Work is underway to investigate the possibility of interfacing these latter phases with a possible future tram extension and the Edinburgh St James Development which may have an impact on timescales and third party funding.

Property Conservation (Programme Momentum)

- 3.21. At the time of writing, more than 95% of all owners had been issued with settlement. Acceptance rates for complainants in respect of settlement were at 57%.
- 3.22. Billing of reviewed cases was completed in Oct 2015 at a total invoice value of £17.7m. £10.8m has been received to date and a further £1.4m has been secured through payment plans and inhibitions to give a total settled and secured debt of £12.2m. Non secured debt of £5.5m is being pursued under active instruction to Morton Fraser; this outstanding debt is at various stages of recovery with the final instructions to Morton Fraser being targeted for end March 2016.
- 3.23. The phased implementation of the new service pilot commenced on 1 Sept 2015 and will run until Mar 2017. The new service will be managed within the Corporate Property Service in the new Council Structure.

Additional Consultancy Support

- 3.24. The CPO also provides consultancy and project development support as required. Terms of reference for the work including scope, timescales and any charges are agreed with sponsors in advance.

3.25. The CPO is providing project and consultancy support in the following areas:

- development and management of the Transformation Programme;
- resource to deliver the Connected Capital Programme;
- specific resource to Human Resources and Business Intelligence
- support for the ICT Transition and Transformation Programme.

3.26. The staffing compliment in the CPO has reduced in recent months, and it has been difficult to provide direct support to new projects and undertake the full compliment of assurance reviews internally, although advice and guidance is readily available. This area is currently being reviewed in line with the creation of the new Strategy and Insight Division. The proposed new structures for transformation in the Division include a designated team with expertise across a range of key areas reflecting and building on the success of the CPO. This has been designed to improve future levels of capacity for project support and assurance.

Measures of success

4.1 A successful project delivers its output(s) on time, on or under budget and to quality standards agreed with its stakeholders. The new reporting arrangements introduced by the CPO seek to ensure transparent and consistent reporting across all major projects by analysing key milestones, benefits, financials, risk and governance processes.

Financial impact

5.1 There are no financial implications directly arising from this report. The financial impacts of major projects will also be reported through the revenue and capital monitoring process.

Risk, policy, compliance and governance impact

6.1 The process of reporting and senior management oversight of risk within the project portfolio serves to strengthen the control environment and where appropriate prompt mitigating action.

Equalities impact

7.1 Equalities impact assessments are carried out within individual major projects and addressed in separate reports to Council or committee. In addition CPO has launched an engagement programme, and established a Programme, Project and Change Management Community within the Council to promote best

practice.

Sustainability impact

- 8.1 Each project within the major projects portfolio is responsible for undertaking its own sustainability impact assessment.

Consultation and engagement

- 9.1 Consultation and engagement is carried out within individual projects and is addressed in separate reports to Council or committee.

Background reading / external references

[Governance of Major Projects](#) – Finance and Resource Committee, 26 November 2015

Andrew Kerr

Chief Executive

Kirsty-Louise Campbell, Interim Head of Strategy and Insight

E-mail: kirstylouise.campbell@edinburgh.gov.uk | Tel: 0131 529 3654

Simone Hislop, Major Projects Manager

E-mail: simone.hislop@edinburgh.gov.uk | Tel: 0131 529 2145

Links

Coalition pledges	<p>P03 - Rebuild Portobello High School and continue progress on all other planned school developments, while providing adequate investment in the fabric of all schools</p> <p>P20 - Work with the Scottish Government to deliver a larger return of business rate receipts as part of the Business Rates Incentivisation Scheme (BRIS)</p> <p>P23 - Identify unused Council premises to offer on short low-cost lets to small businesses, community groups and other interested parties</p> <p>P27 - Seek to work in full partnership with Council staff and their representatives</p> <p>P28 - Further strengthen our links with the business community by developing and implementing strategies to promote and protect the economic well being of the city</p> <p>P36 - Develop improved partnership working across the Capital and with the voluntary sector to build on the “Total Craigroyston” model</p> <p>P41 - Take firm action to resolve issues surrounding the Council’s property services</p> <p>P44 - Prioritise keeping our streets clean and attractive</p>
--------------------------	--

	<p>P47 - Set up a city-wide Transport Forum of experts and citizens to consider our modern transport needs</p> <p>P49 - Continue to increase recycling levels across the city and reducing the proportion of waste going to landfill</p> <p>P51 - Investigate the possible introduction of low emission zones</p> <p>P53 - Encourage the development of Community Energy Co-operatives</p>
Council outcomes	<p>C01 - Our children have the best start in life, are able to make and sustain relationships and are ready to succeed.</p> <p>C02 - Our children and young people are successful learners, confident individuals and responsible citizens making a positive contribution to their communities.</p> <p>CO25 – The Council has efficient and effective services that deliver on its objectives.</p> <p>CO26 – The Council engages with its stakeholders and works in partnership to improve services and deliver on agreed objectives</p>
Single Outcome Agreement	All
Appendices	Appendix 1 - Overview of CPO major projects portfolio – Jan 2016

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
MP2	Connected Capital	<p>BDUK funding has been allocated to a number of projects within this programme including;</p> <ul style="list-style-type: none"> - Voucher scheme – to assist with broadband connectivity charges for SMEs. It was agreed that the Council will administer the extension of the voucher scheme on behalf of the Lothians, Fife, Scottish Borders, Glasgow, Stirling, Dundee, and Inverness through to 31 March 2016. £1.24m has been awarded to 1,124 businesses across Scotland (£435,000 has gone to 515 businesses in Edinburgh, Lothians, Fife and Borders). The Voucher Scheme is now closed to new applicants. - Public Building Wi-Fi – 62 of 70 buildings are now live. The remainder are scheduled to be completed, on an interim circuit, by the end of March 2016. - Wireless Concession – work has been progressing on lighting and wayleaves. BDUK had agreed an increase in the enhanced concession budget to £305K. However this funding will only be made available if the concession contract is signed by the end of March 2016. - Transport WiFi – WiFi deployment across the Edinburgh Tram and Lothian Buses fleet was completed in Dec 2014. These services now also benefit from the delivery of a content management solution (CMS) to enhance the user experience further. The CMS provides infotainment channels to passengers using the on board WiFi. 	Overall Programme delivery deadline of March 2015 has now been revised. Some flexibility has been agreed with BDUK that will allow funding availability for wireless concession to be available up to March 2016.	Spend within budget.	<p>Assurance Review completed with focus being on the Wireless Concession project and found that good project management techniques had been employed in delivery of the project to date.</p> <p>Transport Wi-Fi – Let's Join Content Management System has now been implemented (Sept). Since deployment there has been a four fold increase in user sessions.</p>	<p>Faster and better broadband connections to SMEs via a voucher scheme contributing towards costs of connection.</p> <p>Wireless coverage in some public places, public buildings and across the Lothian Bus and Edinburgh Trams fleet.</p>	<p>Risk: Amber</p> <p>BDUK funding for Wireless Concession project is withdrawn due to contract not being signed/lack of progress.</p>

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
MP8	James Gillespie's Campus	The teaching block was completed in April 2015 and is already occupied by the school. Construction of the performance and sports blocks and other site infrastructure including car parking, the all-weather pitch and landscaping is progressing well and on programme. Bruntsfield House summer 2015 works were completed within programme.	Phase 1 (teaching block) and Secondary School decant complete. Phase 2 (performance and Sports blocks and other site infrastructure) completion scheduled for August 2016 - on programme.	The forecast costs to completion are within the project budget.	Process to ensure defects recorded, actioned and monitored in place.		Risk : Green
MP10	National Housing Trust	NHT Phase 1 - 422 new affordable homes complete and tenanted – This project is now closed and housing management taking forward as 'business as usual'. Phase 2: The Council has entered into contracts with FP Newhaven Two Ltd. Construction started in Nov 2014. 96 homes will be completed over 6 phases with completion scheduled for Dec 2016. Phase 3. The Council will establish three new limited liability partnerships with developers and Scottish Futures Trust to deliver up to 385 affordable homes. Contracts are subject to statutory consents and delivery of completed homes by end Dec 2019. The first contract signing for 80 homes at Fruitmarket, Chesser took place in April 2015. The Fruitmarket development was scheduled to start on site in Nov 2015.	On time.	The City of Edinburgh Council on 12 Feb 2015 approved borrowing for phase 3 of up to £54. 998m. Forecast to complete within budget.	Previous Assurance Review completed with status of Green.	Provision of affordable housing. Neighbourhood regeneration and creation of jobs and training opportunities.	Risk: Green
MP11	21st Century	Gracemount: development complete and all	Programme progress	Within budget	Greendykes was a runner up	Community	Risk: Green

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
	Homes	<p>properties let. Work progressing on Phase 2 with £735k secured in developer receipts.</p> <p>Greendykes C: development complete and all properties let.</p> <p>West Pilton Crescent: development complete and all properties let. Final homes handed over on 20 October 2014. All properties have been let.</p> <p>Pennywell: works started on phase 1 (108 Council and 85 Private homes) on 23 June 2014. Handover of the first Council homes commenced end August 2015.</p> <p>North Sighthill: Design work instructed to enable an Approval of Matters specified by conditions (AMC) application submitted to planning in July 2015, in respect of the Council housing. Approval was granted by the Development Management Sub Committee on 21 Oct 2015. Tenders were invited for the project in Nov 2015.</p> <p>Leith Fort: Tenders approved at Finance & Resources Committee in June 2015 and contract has been awarded following a standstill period. Site start was anticipated by late 2015.</p> <p>Small Sites Project: 7 additional sites, tenure mix and energy strategy are to be reported to the Political Sounding Board in September. A delivery plan is being developed with the</p>	<p>within target timescale. Only minor change in the period is the awaited approval of matters specified in conditions for North Sighthill, as the consultation period was extended on behalf of the community.</p>		<p>at the Homes for Scotland awards in the Best Partnership in Affordable Housing Delivery category.</p> <p>West Pilton Crescent won Saltire Awards for Multiple Housing Development, and Landscape in Housing.</p>	<p>Benefits including employment and training opportunities.</p> <p>Increasing affordable housing supply across the city.</p> <p>Providing support to the economy and construction industry.</p>	

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		Council's procurement team. A report was taken to Finance and Resources Committee in Feb 2016 seeking approval to award contracts.					
MP12	New Boroughmuir High School	<p>The contractor (OHMG) has advised that they are now behind programme due to the exceptional adverse weather which they have experienced over recent months.</p> <p>The concrete pours to levels -01, 00, 01 and 02 are complete; level 03 is due to be completed on 19 February 2016 with the roof in mid-March. Works to the external envelope have commenced with the framing and glazing; levels -01 and 00 are nearing completion. The M&E 1st fix has commenced with off-site modular units now being installed to the corridors. Internal partitions continue to progress to levels 00 and 01.</p> <p>Progress is monitored weekly through a review of the programme activities.</p> <p>The park was handed over on the 30 Sept 2015, five months earlier than the contract completion date.</p>	<p>OHMG have advised that the exceptional adverse weather conditions in recent months has had an adverse impact on progress complete the concrete structure meaning that the project completion date will now require to be revised.</p> <p>OHMG report that this adverse weather has resulted in a delay of 30 days from the previously revised completion date of 23 Sept 2016 and that the revised completion date is now 28 Oct 2016. An Extension of Time claim to that effect has been submitted by OHMG which is currently being assessed by our agents.</p> <p>Discussions are currently ongoing with the school regarding the move to the new building which is</p>	The forecast costs to completion are within the project budget.	<p>A Clerk of Works will be employed to ensure the works are undertaken to the expected quality standard.</p> <p>A Technical Advisor is employed to carry out further inspections and to ensure the main contractor undertakes all quality inspection and completes all the necessary quality documentation.</p>		Risk: Red (due to delay)

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
			<p>now anticipate to take place around the Christmas 2016 break with pupils moving to the new school at the start of the Jan 2017 term. The intervening period between contract completion and occupation will allow time for pupils and staff to become familiar with the new school in advance of moving to it.</p> <p>This change has been communicated to the school community.</p>				
MP13	New Portobello High School	<p>Balfour Beatty (BB) has continued with steady progress on the fabric and structure of the building however they have advised that they are still behind programme. This is after taking into consideration the additional five week extension of time award they were granted in response to their 21 week claim which extended the contract completion date to 15 July 2015.</p> <p>BB have indicated that they cannot meet the revised contract completion date however we are working closely with them to establish</p>	<p>The current contract completion date, taking into account the approved extension of time, is 15 July 2016.</p> <p>BB has indicated that they cannot meet the revised contract completion date. Whilst work is ongoing to resolve the issue, in the meantime we are now</p>	The forecast costs to completion are within the project budget	Regular inspections are undertaken to ensure that the appropriate standard is being maintained.		Risk: Red Status has been set at red due to delay.

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		<p>what the earliest realistic completion date would be. Generally they are now in control of the works with the exception of a number of issues with utilities and Highway consents. In particular BB has not yet been able to secure a drainage connection regarding which discussions are currently ongoing. The CEC project team are also working closely with BB to assist where possible with any other programme issues.</p>	<p>planning on the basis that we will move into the new school in January 2017.</p> <p>However there remains a possibility that this issue can be resolved more quickly and, if that is the case, the school would move at the earliest school holiday period which would be the October 2016 break. We are keen to achieve this if at all possible and will do everything we can to make that happen.</p> <p>However, a later date than August 2016 will allow for orientation visits for both staff and pupils before the new school opens. It will also allow the new S1s (currently P7) to settle into the routine of secondary school before they have to get used to the new building and the school will be developing specific plans to support</p>				

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
			<p>the transition for them.</p> <p>The plans which the school has to commemorate the current building are not affected by this development with events planned for 3 and 4 June 2016.</p> <p>This position has been communicated to the school community.</p>				
MP29	<p>Water of Leith, Flood Prevention Scheme Phase 2</p>	<p>McLaughlin & Harvey (McL&H) and Mott MacDonald (MMD) have been appointed as the Principal contractor and Principal Designer respectively. The construction plan is currently being finalised.</p> <p>Ground Inspection works started before Christmas 2015 and completed mid Feb 2016. Preparation of the main compound at Balgreen is complete and CEC staff will relocate there.</p> <p>Scottish Gas Networks (SGN) diversion of the gas main remains on programme for completion by mid March 2016.</p>	<p>Programme progress is within target timescales.</p>	<p>Programme cost is within budget.</p>	<p>Assurance Reviews have been included in the programme plan at scheme definition (Sept 2014) and prior to award of contract (Nov 2015), with the recent pre-contact award review finding that the overall project status is Green - delivery highly likely.</p> <p>Ongoing stakeholder engagement activities have raised no significant issues.</p>	<p>Protect 492 residential & commercial properties.</p> <p>Reduce dependency on temporary flood defences.</p> <p>Provide enhanced access to the riverside.</p> <p>Improve quality of life for residents affected by flooding.</p>	<p>Risk: Green</p>

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
MP22	Zero Waste: Edinburgh and Midlothian	<p>Food waste project – late delivery of electricity on site (through circumstances beyond the control of ZWT) has resulted in delays for ARE's subcontractors. See next column for the knock on effect of this delay.</p> <p>Provision of access road, bridge, power, potable water, and communication lines are now complete.</p> <p>Residual waste project - FCC Medio Ambiente SA (FCC), the preferred bidder, lodged a planning application with Midlothian Council (March 2015), and obtained consent for the energy from waste facility in Sept 2015. Only one formal objection was received with no public objections.</p> <p>The final tender price was held until October 2015, but the project team is now reviewing the target date for financial close to take account of Judicial Review Risk. Financial close is targeted for early 2016.</p>	<p>Food Waste Transition has experienced minor slippage. Service commencement delayed from late Dec 2015 to early 2016.</p> <p>The residual waste project remains within target timescales.</p>	<p>Current forecast indicates project will come in or below budget. However the capital budget is still under some pressure as construction progresses particularly due to a £300K compensation claim by Scottish Water Horizons which is being vigorously challenged.</p> <p>As previously highlighted, by entering into the residual waste treatment contract the Council will be liable for legacy payments of ~£10.3M under the existing landfill contract until 2020. (See paper from F&R Committee - 27 Nov 2014).</p> <p>Work is ongoing to mitigate the financial impact of this, with a number of options</p>	<p>An assurance review undertaken in December 2014 assessed the programme as Amber- Green (delivery probable). A follow up Assurance Review is scheduled for Q4 2015/16.</p>	<p>Benefits Realisation Plan remains under construction</p>	<p>Risk: Green Planning risks are of a low likelihood but carry very severe impacts should they materialise.</p> <p>Substantial mitigation strategies agreed by the Project Board are in place.</p>

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
				under consideration.			
MP24	Leith Programme	<p>Phase 1 -3 Construction Work completed.</p> <p>Phase 4 (Leith Walk – Pilrig Street to McDonald Road). New “tram proofed” design, approved by Oversight Group on 9 July. Statutory processes for necessary orders commenced 11 August, with potential construction in late spring/early summer 2016 (subject to successful conclusion of statutory processes and there being no delay as a result of incorporating tram enabling works). PQQ process to commence on 22 Feb 2016 for this phase of tenders</p> <p>Phase 5 (McDonald Road to Elm Row) Tram proofed design concept likely to also be applied to Phase 5. Design in development. Construction expected to commence after completion of Phase 4 (subject to statutory processes). Discussions ongoing with providers of third party funding on current funding conditions relating to timescales for delivery.</p> <p>Decision taken at full Council on 10 Dec 2015 to undertake tram enabling works as part of Phases 4 and 5 and to merge the Leith Programme and Tram Extension projects going forward</p> <p>Phase 6 (Elm Row to Picardy Place) Concept design under development, including review of London Road junction design. Timescale for construction conflicts with anticipated timescale for construction of a new transport interchange at Picardy Place as part of Edinburgh St James development proposal. Following decisions taken at full Council on 10</p>	<p>The timescale for delivery of Phase 4 could be subject to further revision if a Public Hearing is required as part of the statutory processes necessary to implement the design. Timescales for phase 5 and 6 could also be subject to change due to interdependencies with a possible future tram extension on Leith Walk, and the St James Quarter redevelopment.</p> <p>Discussions ongoing with providers of third party funding on current funding conditions relating to timescales for delivery.</p>	<p>Budget provision for professional fees, services and other non-construction costs has been reviewed due to the high interdependency between the Leith Programme, a possible future tram extension, and the St James development proposal. Options for containing these costs are reviewed by on an ongoing basis with representation from Finance.</p> <p>Agreement of a new memorandum of understanding with Sustrans regarding external funding contribution in future years are ongoing and target conclusion date set for March 2016.</p>	<p>New “tram proofed” design for phase 4 modified to reflect feedback arising from public engagement – design approved by the Oversight Group on 9 July.</p>	<p>Increase in cyclists using Leith Walk.</p> <p>Improved cycle pedestrian & businesses env.</p> <p>Increased levels of satisfaction within the local Community.</p> <p>Fewer claims/complaints-trips & potholes.</p> <p>Enforcement of parking/loading restrictions.</p>	<p>Risk Red/ Amber</p> <p>Due to interdependencies and the potential impact on costs.</p>

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		Dec 2015, this phase will now most likely be delivered as an integral part of a tram extension, as allowed for in the current Tram Extension Outline Business Case.					
MP25	Forth Replacement Crossing	<p>Transport Scotland (TS) is the lead agency for construction of the bridge. The Forth Crossing Act sets out the process of some enabling road and property assets to the Council as the Local Authority and Roads Authority.</p> <p>Construction of the U221 road now complete. This road will not come under CEC management until all side roads are complete. The 5 year defect liability period will then commence.</p> <p>Widening of Society Road complete. Amber status will remain until defects have been repaired and CEC agrees handover.</p> <p>Realignment of the A904 now complete and open to traffic. Installation of new traffic signals for new roundabout is complete. However significant defects have been identified on the roads and footpaths to be adopted by CEC. The Council are currently in discussion with TS to ensure non-conforming works are resolved.</p> <p>B800 bridge construction works complete. Status will remain amber until adoption extents are agreed and final inspections completed.</p>	As Transport Scotland (TS) is the lead agency, CEC has no influence on delivery timescales. However the project continues to be on time and under budget with a forecasted completion of Autumn 2016.	As TS is the lead agency no budget information reported.	<p>TS and CEC have not agreed the official inspection and handover process.</p> <p>Work in progress with Transport Scotland to define adoption extents, clarify handover, and quality assurance processes.</p> <p>Establishment of a Memorandum of Understanding underway with TS.</p>	Enhance transportation links locally and nationally.	Risk: Amber
MP28	H&SC	The first meeting of the Edinburgh Integrated	All integration authorities	In May 2014, the	Audit and Risk Committee	High level	Risk: Amber

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
	Integration	<p>Joint Board (IJB) took place on 17 July 2015, with a development session held on 14 August 2015. The third IJB Development Session in Strategic Planning and Finance took place on 11 December 2015. The fourth formal business meeting took place on 15 January 2016.</p> <p>EIJB Audit and Risk Committee membership and remit agreed. EIJB Performance Sub group agreed in principle and Chair appointed.</p> <p>Joint Leadership Group received update on budget position mid Jan 2016 Council budget set for EIJB at high level.</p> <p>Responses from Draft Strategic Plan consultation analysed and reported to EIJB in Jan 2016.</p>	<p>and associated delegation must be in place by 1 April 2016.</p> <p>This is the date that the Scottish Ministers intend to prescribe as the date by which all functions must be delegated to NHS Lothian and the Council. All the integration arrangements as set out in the Act, Orders and Regulations, must be in place and responsibility for the functions delegated.</p>	<p>Scottish Government allocated £615,000 transition funding to the Edinburgh City Partnership. This funding was for 2014/15.</p> <p>Due diligence has commenced involving Internal Audit, with financial assurance undertaken for CEC, NHS Lothian and the new Integrated Joint Board.</p>	<p>remit and membership agreed. Part of the responsibility of this function will be to monitor quality elements.</p>	<p>benefits identified through options analysis work and business case.</p> <p>Detailed benefits to be developed in line with the statutory strategic plan, baseline performance framework, national outcomes and SQAs, and service workstreams.</p>	<p>Governance between the IJB and Council although drafted needs to be agreed.</p> <p>Council's liability policies may not operate. Integration scheme details claims handling process. Council awaiting further detail from CNORIS.</p>
MP30	Recycling Service Project	Nil return- to follow					
MP31	Fleet Review	<p>The fleet review programme is designed to deliver cost savings from 14/15 onwards through modernisation of the Council vehicle fleet, principally by rationalisation and reduction in overall fleet vehicle numbers.</p> <p>The cars and vans procurement has been completed with nearly all of the vehicles now having been delivered. All 17 Refuse Collection</p>	<p>The wider fleet review is behind schedule however resource has now been recruited to manage this project</p>	<p>Fleet and Corporate Finance continue to work together to identify optimal funding arrangements for the fleet, as well as identifying opportunities to re-organise the</p>	<p>Working with department and the transformation programme to define future requirements.</p>	<p>The programme is designed to deliver efficiencies and it is anticipated that in the longer term this can be exceeded</p>	<p>Risk Amber/Red</p> <p>Behind schedule, but remedial action now being taken to</p>

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		<p>Vehicles (RCVs) have now arrived, alongside the 9 RCVs procured as part of the in-house transfer of dry mixed recycling and glass collections. 4 new side-loading RCVs are due to arrive in March and June 2016.</p> <p>Work continues on the scoping of the wider Fleet Review. A project scope will be presented to both SMT and CLT in the coming weeks to seek approval to commence this work.</p>		accounting structure for fleet to allow greater financial certainty across the life of our vehicle assets. It is anticipated that this can be delivered within the capital budget			drive this project forward
MP32	Programme Momentum (previously Property Conservation / Shared Repairs)	<p>Programme Momentum has completed 18 months and is currently on schedule and key risks and issues are being managed via the Programme Board. The settlement process is on target to finish shortly and good progress is being made with the debt recovery under the existing Morton Fraser contract. The legal workstream continues to escalate as more debt recovery cases are pursued by the Council. The new service pilot commenced on 1 September 2015 and a number of pilot projects have been identified to test the new service procedures. Customer enquiries and FOI requests are decreasing but remain complex.</p> <p>Outstanding debt is at various stages of recovery with the final instructions to Morton Fraser being targeted for end March 2016.</p> <p>Phased implementation of the new service commenced on 1 Sep 2015 and will run to the end Mar 2017.</p>	Programme is currently progressing to schedule.	A provisional budget has been reviewed by the Project Board. Additional provision requires to be made in expectation of the costs of defence of legal cases, expert witness costs, additional case reviews, defect reparations, record maintenance, claims recovery and associated consultants costs. The Project remains a key financial and reputational risk to the Council.	The last Assurance Review gave Programme Momentum an Amber-Green status: delivery probable. Main areas of concern centred on the budget allocation for the new service, the continuing validity of the Business Case, the impact of recent changes in the Project team and resulting gaps in resource, issues with recruitment of technical staff, and the need to ensure Elected Members have a clear understanding of the costs of the new service and the limitations of their role within it.	<p>Reduce outstanding debt and billing of completed work.</p> <p>Resolve all complex and deferred complaints.</p>	Risk: Amber Reputational and ability to realise full debt.

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
MP33	Edinburgh St James	<p>The Compulsory Purchase Order (CPO) inquiry is to run from 24 September to 1 October, which is later than the Developer (TIAA Henderson) had programmed. Work is underway by the Developer to assess the overall impact to the programme.</p> <p>The Growth Accelerator Model (GAM) Agreement is between the Scottish Government and the Council, and separately between the Council and TIAA Henderson.</p> <p>The SG Agreement, based on the December 2014 draft/revised Heads of Terms, is progressing well. This Agreement's final and full terms are targeted to be complete by 16 October 2015 and will be reported to full Council on 19 November, seeking authorisation to commit to the Agreement.</p> <p>The report will also incorporate the outcomes from a close-out meeting involving Scottish Futures Trust and the Scottish Government on 29 September 2015 to conclude governance, reporting, programme and control procedures over the life of the GAM. This same report will also provide an update on the satisfactory progress with the TIAA Henderson agreement.</p>	The over-run of the CPO inquiry has had a knock on effect to the commencement of works on site, with reports delaying the start to early 2016.	<p>Contractual arrangements have been structured to minimise financial risk to CEC.</p> <p>Council costs are being invoiced and paid for by the Developer.</p>	Key dependencies are now partly owned by a representative from the dependent projects i.e. the Leith Programme, and the potential Tram Extension	Redevelopment of an area at east end of Princes Street creating 42,500m2 of high-quality retail space, deliver 2,300m2 of grade A office space, a 210-bedroom five-star hotel, a 152-bedroom four-star hotel, a 55-bedroom apart-hotel, a theatre, restaurants and 138 residential units.	<p>Risk: Amber/Red</p> <p>Although the Council has fulfilled its responsibilities on this project, the requirement for the developer to delay construction to allow for the CPO could have an adverse reputational impact for the city.</p>
MP34	ICT Transition & Transformation	Project is running on timescale with no major concerns for the Service Cutover Date from the incumbent to CGI on 01 April 2016. Technical challenges posed relating to the closure of the	On Time	Additional costs have been identified but their total is expected to be significantly less	Assurance Review pending	Benefits are due to accrue from 2016/17 onwards; the	Risk Amber CGI and Council Programme

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
	Programme	incumbent's Data Centres and Network by 30 June are being addressed		than the sums noted for contingency.		<p>planning for Benefits Realisation and delivery of Community Benefits and use of local SMEs is at and advanced stage. SME engagement has started early.</p> <p>New WAN circuits (for example Drummond Community High School are noticeable faster)</p>	Assurance are working hard to ensure the incumbent co-operates fully. However the complexities and scale of Programme and Project Management remains high and therefore by their nature will remain Amber until the key data centre migration have completed
MP35	Early Years Projects	This comprised three distinct and separate projects, Fox Covert, Duddingston and Wardie nurseries were all completed on 14 August, and all commenced operation on 17 August. Nursery snagging inspections have been	All projects were delivered on programme.	The forecast costs to completion are within the project budgets which have been revised as necessary.			Risk: Green

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		<p>undertaken with rectifications being carried out.</p> <p>Regarding the only remaining elements within these projects, the proposed synthetic pitch and store shed at Fox Covert Primary School, it has now been confirmed that these are both permitted developments. The works will be undertaken during the summer 2016 break.</p>					