

Finance & Resources Committee

10.00am Thursday 9 June 2016

Governance of Major Projects: progress report

Item number	7.1
Report number	
Executive/routine	
Wards	All

Executive summary

The former Policy and Strategy Committee on 7 August 2012 agreed 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 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 - 3.13); and
 - 1.1.3 the Transformation Team under the new Strategy and Insight Division is now operational from 2 May with a number of current vacancies.

Background

- 2.1 The former Policy and Strategy Committee agreed the 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 Transformation Team in the newly created Strategy & Insight Division and this service is now operational.
- 2.3 This report forms a scheduled quarterly status update for the Finance and Resources Committee (9 June 2016) and six monthly to Governance Resource and Best value Committee. (26 May 2016).

Main report

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

ICT Transition and Transformation Programme

- 3.4. An Assurance Review of the ICT Transition and Transformation Programme was undertaken ahead of the 1 April transfer from BT to CGI . The review assessed the current status as Green/Amber – ‘delivery probable’ for the areas within the scope of this review, namely:
- Service cutover from CGI to BT;
 - BT staff TUPE;
 - Contract novation;
 - Early Transformation projects - BACS, Bulk Printing, Secure Cheque Printing; and
 - Data Centre migration (Sighthill and Capex).
- 3.5. No assessment has been made with respect to the health of any later ICT transformation projects such as ERP, Web, ECM, LAN, Telephony and Contact Centre.
- 3.6. As is to be expected, with a programme that is delivering the largest public sector contract change in Scotland, there are significant risks, which makes it prudent to give the Programme a Green/Amber status.
- 3.7. Governance of the programme is excellent, with clearly defined roles, responsibilities and escalation routes. The partnership appears to be working well between CGI and the Council, with the culture and ethos of the programme very much aligned to that of the Council. Risks and issues appear to being actively managed by CGI through their RiskIT management tool but it was concerning that not all risks and issues are readily visible to the Council, particularly at this key stage in the programme.
- 3.8. A key pressure point is the availability of Council staff to participate in the User Proving testing. Availability of Council resource will become increasingly important as the ICT transformation projects progress towards implementation.
- 3.9. There were some instances where the quality and timeliness of information from CGI to the Council could have been improved.
- 3.10. Engagement to date has been low key, as the main impacts of the programme will not be felt until some of the ICT transformation projects deliver, later in the year. Change management capacity within the programme needs to be developed to support the business to maximise the opportunities that will be presented through the implementation of these projects.
- 3.11. The review team recommended six priority and five further actions to the ICT Transition Programme team. Five of the priority actions have already been

completed, with the sixth not required until later in the year. One of the further actions has also been completed, with the Programme team making good progress on the remaining four.

- 3.12. Since the time of the review, good progress has been made closing out key risks. However a replanning exercise has currently been undertaken on ERP (replacement for the Finance and HR systems) with a likely December 2016 roll out being agreed. This revised date allows for increased planning, enhanced communications and is to be achieved at no cost to the council.

Future Schedule of Assurance Reviews

- 3.13. Discussions are ongoing with Management to schedule assurance reviews in the following areas:

- Edinburgh St James, Quarter;
- Heath & Social Care Integration (joint review with Internal Audit); and
- Zero Waste.

- 3.14. An overview of the key findings of each completed Assurance Review will be reported as part of the scheduled Major Project Reports to Committee.

Current highlights in the major projects portfolio

- 3.15. In recent months as the Council has been transitioning to a new operating model and there, have been significant colleague movements. As the new Strategy & Insight division comes into operation during May 2016, the team will work with the project management community to improve the quality of reporting. A pragmatic approach will be taken to avoid duplication of effort and the focus will be on gaining comfort or otherwise on the management of key project deliverables.

Tram Extension and Leith Programme

- 3.16. As of January there was a decision to integrate the Tram Extension and Leith Programme Boards to provide an integrated approach. Governance arrangements are now in place and work broken down into five workstreams, namely Commercial, Technical, Finance, Acquisition and Work. A Programme Management Office is being formed to support the Programme and preparatory work is being undertaken to appoint Commercial, technical and legal advisors.
- 3.17. The Leith Programme 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.
- 3.18. A new “tram proofed” design for Phase 4 that covers the area from Pilrig Street to McDonald Road are due to be issued in May with a projected start date on site in September 2016 completing in May 2017. Phase 5 and 6; compose of

McDonald Road to Elm Row and Elm Row to Picardy Place respectively. Outline design work for Phase 5 is currently nearing completion and localised consultation is currently underway.

- 3.19. Discussions are ongoing with Sustrans Scotland to secure a sustainable funding solution for the Leith Programme, as previously reported the initial indications are the funding for Phase 6 is insufficient. A refreshed business case will be presented before progressing to Stage 2 of the project in Summer 2017.

New Portobello High School

- 3.20. Balfour Beatty (BB) has continued to make steady progress on the fabric and structure of the building during the period. The majority of the classrooms have been completed to a level where the works are as complete as is practical until the commissioning works are able to be progressed to enable the completion of the last elements. The design review and change orders process is now closed. BB are now in the process of implementing all previous instructions.
- 3.21. Notwithstanding the progress to the fabric and structure of the building, BB still remain behind programme even after taking account of the previous five week Extension of Time award. The revised contract completion date is 15 July 2016. BB have advised they cannot meet the revised completion date however we are working closely with them to establish a realistic earliest completion date. Generally they are now in control of the works with the exception of a number of issues with utilities and Highways consents. In particular, BB have had difficulties in securing the necessary temporary and permanent drainage connections however good progress has recently been made in this regard although the timing of certain key actions still remains outwith BB's control.
- 3.22. A 'Decant' working group has been established and is progressing with the planning of the overlap and interfaces between the delivery of the new school and existing school closure. The delay to the completion date is being used positively to ensure the decant is being rigorously planned and co-ordinated including visits to the new school to familiarise and test the process.
- 3.23. The working assumption is that the school will move into the new building in January 2017. 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. Both BB and the project team are doing everything possible to try and achieve that objective. A later date than the original plan of 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 the transition for them.
- 3.24. BB's actual programme status is currently the subject of direct discussions between the SRO and senior management of BB who continue to suggest that, while an opening the school in August 2016 is unachievable, completion to allow

the school to open after the October break remains a *possibility*. Monthly principals meetings are taking place to ensure that any key decisions required are taken on a timely basis. The dialogue with BB remains positive and directed at ensuring the school can, if at all possible, be delivered for October and the transfer and decant is facilitated with least impact on the school staff and pupils.

3.25. Connected Capital Programme

3.26. BDUK in the Department of Culture, Media and Sport provided capital funding to this programme, which is now effectively closed. The programme has delivered the following elements:

- Voucher scheme – to assist with broadband connectivity charges for SMEs. It was agreed that the Council would 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. £1.6m has been awarded to 1,559 businesses across Scotland (£576k has gone to 580 businesses in Edinburgh,). The Voucher Scheme is now closed to new applicants.
- Public Building Wi-Fi – 66 buildings are now live.
- 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 Wi-Fi.
- Wireless Concession – Contract has now been agreed and signed and enabling work has been progressing on lighting and wayleaves. The reporting of this project will focus on the deployment of the wireless concession going forward which is independent from BDUK reporting.

3.27. Meanwhile the Scottish Government “Rest of Scotland” project to deploy increased broadband infrastructure is progressing. Roll out in Edinburgh is currently underway with significant activity expected over the next 6 months. A meeting with BT Openreach and Digital Scotland to resolve the cabinets with issues was held in early March and subsequent site meetings arranged. If issues with specific cabinets cannot be solved then broadband to the area supplied by that cabinet will not be possible. CityFibre or Virgin Media connections are unaffected. Phase 2 is currently under discussion with Digital Scotland/COSLA/BDUK.

Changes to the Portfolio

3.28. The Tram Extension project has been added to the portfolio this month (integrated with the Leith Programme). Discussions are ongoing with other relevant Project Sponsors to add the new St John’s RC Primary School from the next reporting cycle. The new Queensferry High School will be reported to Council in Quarter 3 ahead of full mobilisation and reporting will commence at

that stage. In addition the replacement of Meadowbank will be added at a later date.

- 3.29. A number of projects are drawing to a close and will be removed from the portfolio in the near future and this includes Connected Capital, Recycling Service Redesign and Programme Momentum. The Early Years Projects (which comprised the delivery of three distinct and separate projects - the delivery of new early years provision at Fox Covert and Wardie Primary Schools and replacement/extended provision at Duddingston Primary School) have been removed from the portfolio, all work is complete and the new buildings are fully operational with the exception of a 3G pitch at Fox Covert which will be completed this summer. Work will be undertaken with the relevant project teams to ensure that projects are adequately closed and handed over to the service area where appropriate.

Transformation and Business Change Support

- 3.30. The new structure for the Transformation Team includes expertise in portfolio and programme management, change management and process improvement reflecting and building on the success of the CPO. This team is now operational and will work with the wider Strategy and Insight Division to provide an integrated change and service improvement resource to the Council. This service has been designed to improve future levels of capacity for 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 reporting arrangements 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. The Transformation team forms an independent risk assessment of each key project aspect taking account of a number of factors including the adequacy of resources, confidence in ability to

deliver, and the potential impact of the risk..

Equalities impact

- 7.1 Equalities impact assessments are carried out within individual major projects and addressed in separate reports to Council or committee.

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

[Governance of Major Projects](#)- Finance and Resources Committee, 17 March 2016

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Links

Coalition pledges

P03 - Rebuild Portobello High School and continue progress on all other planned school developments, while providing adequate investment in the fabric of all schools

P20 - Work with the Scottish Government to deliver a larger return of business rate receipts as part of the Business Rates Incentivisation Scheme (BRIS)

P23 - Identify unused Council premises to offer on short low-cost lets to small businesses, community groups and other interested parties

P27 - Seek to work in full partnership with Council staff and their representatives

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

P36 - Develop improved partnership working across the Capital and with the voluntary sector to build on the “Total Craigroyston” model

P41 - Take firm action to resolve issues surrounding the Council’s property services

P44 - Prioritise keeping our streets clean and attractive

P47 - Set up a city-wide Transport Forum of experts and citizens to consider our modern transport needs

P49 - Continue to increase recycling levels across the city and reducing the proportion of waste going to landfill

P51 - Investigate the possible introduction of low emission zones

P53 - Encourage the development of Community Energy Co-operatives

Council outcomes

C01 - Our children have the best start in life, are able to make and sustain relationships and are ready to succeed.

C02 - Our children and young people are successful learners, confident individuals and responsible citizens making a positive contribution to their communities.

CO25 – The Council has efficient and effective services that deliver on its objectives.

CO26 – The Council engages with its stakeholders and works in partnership to improve services and deliver on agreed objectives

Single Outcome Agreement

All

Appendices

Appendix 1 - Overview of major projects portfolio –March 2016

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
MP2	Connected Capital	<p>Programme now aligned to ICT.</p> <p>Wireless Concession – the contract was finally signed on March 22nd and a number of wayleaves agreed by the end of March BDUK grant claim deadline (see details below). A revised implementation plan is due by w/c 2nd May.</p> <p>Public Buildings Wi-Fi – 66 buildings are now live with 1 building still to be connected and 5 operating on interim circuits.</p> <p>Rest of Scotland roll out – Roll out in Edinburgh is currently underway with significant activity expected over the next 6 months.</p> <p>Scottish Government/Scottish Futures Trust Public Buildings Wi-Fi Funding – CEC has been successful in gaining capital only funding of approx £250k to put in place public wifi in up to 26 buildings (Homeless Hostels, Young People’s Centres , Day Care Centres and Community Centres). CGI are currently working on costings for this project.</p>	<p>Project now closed from a BDUK perspective.</p> <p>Wireless concession now proceeding to roll out. .</p>	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>	Risk: Amber
MP8	James Gillespie’s Campus	<p>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. Bruntfield House summer 2015 works were completed within programme.</p>	<p>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.</p>	<p>Phase 1 costs have now been received from HubCo/Tier 1 meetings ongoing to finalise. All costs are within the expected limit. Phase 2 costs, where still to be agreed, have been given a budget cost.</p>	<p>Works and 12 month defect period now concluded for the Design and Build Contract.</p>		Risk : Green

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
MP10	National Housing Trust	<p>NHT Phase 1 - 422 new affordable homes complete and tenanted – This project is now closed and housing management taking forward as 'business as usual'.</p> <p>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.</p> <p>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.</p>	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.	<p>Provision of affordable housing.</p> <p>Neighbourhood regeneration and creation of jobs and training opportunities.</p>	Risk: Green
MP11	21st Century Homes	<p>Gracemount: development complete and all 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</p>	Programme progress 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.	Within budget	<p>Greendykes was a runner up 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>Community Benefits including employment and training opportunities.</p> <p>Increasing affordable housing supply across the city.</p>	Risk: Green

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		<p>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.</p> <p>Leith Fort: Tenders approved at Finance & Resources Committee in June 2015 and contract has been awarded following a standstill period.</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 Council's procurement team. A report was taken to Finance and Resources Committee in Feb 2016 seeking approval to award contracts.</p>				Providing support to the economy and construction industry.	
MP12	New Boroughmuir High School	<p>The contractor (OHMG) has received an extension of time of four weeks due to the adverse inclement weather.</p> <p>The revised completion date is now 23 October 2016. The contractor is reporting works are now on programme to deliver to the revised completion date..</p> <p>Weekly review of actual progress against the planned programme is ongoing for monitoring purposes with monthly principals meetings</p>	Whilst the status was previously set at red due to the delay against the original completion date, this has now been changed to green reflecting the position relating to the revised completion date for which a detailed programme to	A total of 33 change orders requests have been raised to date, 27 change order requests have been authorised. Three change orders require to be returned by the contractor with the cost and programme implications. The	A Clerk of Works is being employed to ensure the works are undertaken to the expected quality standard. 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.		Risk: Green Project disciplines in place to deliver to the revised schedule

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		<p>being held between the SRO and senior management of the contractor.</p> <p>The concrete pours to all levels are now complete. M&E 1st fix has commenced to levels -01, 00 and 01. Internal partitions have now commenced to level 01. Works to the external envelope are now progressing to level 02.</p> <p>Steelwork to the atrium roof has now commenced.</p> <p>Roadworks are ongoing to Viewforth and, following discussion with the roads department, are now due to be completed by end of July.</p>	<p>completion has been provided by the contractor against which progress will be closely monitored and reported</p> <p>Discussions are currently ongoing with the school regarding the move to the new building which is 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>	<p>estimated order of cost remains within the client contingency retained in the project budget.</p>			
MP13	New Portobello High School	Balfour Beatty (BB) has continued to make steady progress on the fabric and structure of the building during the period. The majority of the classrooms have been completed to a level	Balfour Beatty remain behind programme. The revised Contract Completion date is 15	The forecast costs to completion are within the project budget	Regular inspections are undertaken to ensure that the appropriate standard is being maintained.	BB have made further progress in the delivery of the targets	Risk: Red Status has been set at

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		<p>where the works are as complete as is practical until the commissioning works are able to be progressed to enable the completion of the last elements. The design review and change orders process is now closed with a small number of the more recent CORs being finalised and Instructed. BB are now in the process of implementing all previous instructions.</p> <p>A 'Decant' working group has been established and is progressing with the planning of the overlap and interfaces between the delivery of the new school and existing school closure. The delay to the completion date is being used positively to ensure the decant is being rigorously planned and co-ordinated including visits to the new school to familiarise and test the process.</p>	<p>July 2016. BB have advised they cannot meet the revised completion date however we are working closely with them to establish a realistic earliest completion date. In particular, BB have had difficulties in securing the necessary temporary and permanent drainage connections however good progress has recently been made in this regard although the timing of certain key actions still remains outwith BB's control</p> <p>The working assumption is that the school will move into the new building in January 2017. 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. Both BB and the project team are doing</p>			<p>within their Community Engagement Plan which currently includes direct involvement in: opportunities for work placements; youth involvement events and volunteering opportunities. The plan also covers local employment, new starts, and working directly with Action for Children; progress on all of which is reported through the monthly update from BB.</p>	<p>red due to delay and factors outwith the Council's control on utilities. This will be reassessed once a confirmed opening date has been established and the issues with the utilities companies have been resolved.</p>

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			<p>everything possible to try and achieve that objective. A later date than the original plan of 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 the transition for them.</p> <p>BB's actual programme status is currently the subject of direct discussions between the SRO and senior management of BB who continue to suggest that, while an opening the school in August 2016 is unachievable, completion to allow the school to open after the October break remains a <i>possibility</i>. Monthly principals meetings are</p>				

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			taking place to ensure that any key decisions required are taken on a timely basis. The dialogue with BB remains positive and directed at ensuring the school can, if at all possible, be delivered for October and the transfer and decant is facilitated with least impact on the school staff and pupils.				
MP29	Water of Leith, Flood Prevention Scheme Phase 2	<p>The site compound at Balgreen has been established and the CEC Phase 2 project team relocated there at the start of February 2016.</p> <p>The design by Mott MacDonald is continuing well albeit that it is currently slightly behind programme. CEC approvals, inter alia, by the bridges team are progressing well within the specified durations assisting the review process considerably.</p>	The SGN diversion of the gas main progressed well until the Christmas break. Since then, SGN has not made further progress on the river crossings and other works to complete the diversion. SGN cannot complete the diversion by 14 March 2016 the date stipulated in the main works programme. However, contingency is available. The lack of progress has been escalated to the senior management of SGN.	Programme cost is within budget.	<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. Health & Safety and Environment plans are in place.</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>	Risk: Green

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
MP22	Zero Waste: Edinburgh and Midlothian	<p>Food Waste Transition Project</p> <p>All main elements of construction work are complete. There is now an expectation that Service Commencement will be autumn 2016. The Partner Councils, under the Project Agreement with Alana, are still utilising contingency facilities. While this initially caused significant difficulties, Alana is picking up all additional costs during this period as provided for under the Project Agreement. All required site services/utilities, potable water, power, foul and surface water drainage are now complete and functioning. The new road access is in operation and was formally adopted by Midlothian Council in February.</p> <p>Residual Waste Procurement</p> <p>Detailed Planning Permission and Environmental Permit are now in place and the Judicial Review Periods have now expired therefore reducing risks to the Council. Financial Close is currently expected in April 2016 and FCC has agreed to hold its Final Tender price to meet this programme. The Service Commencement date will now be towards the end of 2018, well in advance of the Landfill Ban.</p>	<p>Food Waste Transition has experienced slippage. Service commencement delayed from late Dec 2015 to Autumn 2016.</p> <p>The residual waste project remains within target timescales with service commencement towards the end of 2018.</p>	<p>The contractor is picking up the costs for the delay in the commencement of the food waste service. The capital budget is fully committed.</p> <p>Residual waste if financial close needs to be achieved by May to maintain the Final Tender price.</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 Discussions are ongoing with SEPA and ARE regarding the cessation of delivery of food waste to Powderhall as it moves to delivery to Millerhill.</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>
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</p>	<p>As Transport Scotland (TS) is the lead agency, CEC has no influence on delivery timescales.</p>	<p>As TS is the lead agency no budget information reported.</p>	<p>TS and CEC have not agreed the official inspection and handover process.</p> <p>Work in progress with</p>	<p>Enhance transportation links locally and nationally.</p>	<p>Risk: Amber</p>

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		<p>Authority and Roads Authority.</p> <p>B800 bridge construction works complete. Status will remain amber until adoption extents are agreed and final inspections completed.</p>	<p>However the project continues to be on time and under budget with a forecasted completion of Autumn 2016.</p>		<p>Transport Scotland to define adoption extents, clarify handover, and quality assurance processes.</p> <p>Establishment of a Memorandum of Understanding underway with TS.</p>		
MP28	H&SC Integration	<p>The Strategic plan was completed and approved by EIJB in mid March. As a result the functions have now been delegated to the EIJB for planning and resourcing purposes. The statutory deadline for this was met.</p> <p>The EIJB accepted delegation of functions based on the budget estimates in March and the EIJB due diligence process will be completed once the budgets proposed are clear.</p> <p>The statutory directions to the council and NHS Lothian have been issued to the chief executives. They are in interim form subject to the budget clarification by the Council and NHS Lothian and due diligence being completed. The Council and NHS Lothian will be required to implement the directions. Further directions may follow during the year with more detail.</p> <p>Work is progressing on the integrated structure for operational delivery and it is expected that consultation will start in May. Accountability</p>	<p>Phase 1 of the integration programme is now almost complete. Phase 2 is the implementation of the Strategic Plan. As a result handover of the programme is now in progress to the EIJB strategic planning support arrangements. The EIJB will monitor progress of the multiple projects within the Strategic Plan Action Plan, oversee and approve relevant business cases within Phase 2 as well as assess impact and benefits through its Performance and Quality subgroup.</p>	<p>The council budget for the EIJB is agreed at a high level. The detail in relation to scope and other council programmes of change are still being worked through. NHS Lothian budget for the EIJB is still being finalised due to the national timeline for Scottish Health budget. NHS Lothian has until the end of May to finalise its 16/17 financial plan which includes the budget element for the four Lothian IJBs.</p> <p>Joint Leadership Group received</p>	<p>Audit and Risk Committee remit and membership agreed. Part of the responsibility of this function will be to monitor quality elements.</p>	<p>High level benefits identified through options analysis work and business case.</p> <p>Detailed benefits to be developed in line with the statutory plan, baseline performance framework, national outcomes and SQAs, and service workstreams.</p>	<p>Risk: Amber</p> <p>Council's liability policies may not operate. Integration scheme details claims handling process. Council awaiting further detail from CNORIS.</p>

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		<p>matters in relation to delegated functions that are not within the operational structure of the Chief Officer will need to be clarified.</p> <p>EIJB Audit and Risk Committee membership and remit agreed. EIJB Performance Sub group agreed in principle and Chair appointed.</p> <p>Responses from Draft Strategic Plan consultation analysed and reported to EIJB in Jan 2016.</p>		<p>update on budget position mid Jan 2016</p> <p>Council budget set for EIJB at high level.</p>			
MP30	Recycling Service Project	<p>This project is now in the closing phase as all properties within the scope of the project have now switched to the new service. There is a small element associated with the withdrawal of the red and blue box service across the city. This additional work package entailed replacing the box service with suitable on street recycling facilities.</p>	<p>85% complete on replacing the old service with on street facilities and aim to complete the remaining 15% by the end of March 2016.</p>	<p>The Recycling Redesign cost centre is currently under pressure. Current financial modelling estimates that will deteriorate further by the year end. There are a number of variables that could affect this figure such as; level of contamination within the contingency supplier, variation in the scope of additional phases. The team are actively reviewing options to mitigate additional costs where possible</p>	<p>Increased Recycling rates across the city.</p> <p>Contamination workshop to identify new procedure of for dealing with persistent contamination issues.</p>	<p>Reduction in landfill kg's/hh/wk from 7.7 kg's to 4.7kgs for phase 1 households and increase in recycling kgs/hh/wk from 1.9kgs to 3.6kgs.</p>	<p>Risk Green</p> <p>Project now the closing Phases</p>
MP31	Fleet Review	<p>The cars and vans procurement has been completed with nearly all of the vehicles now</p>	<p>The wider fleet review is behind schedule however</p>	<p>Fleet and Corporate Finance continue to</p>	<p>Working with department and the transformation</p>	<p>The programme is designed to</p>	<p>Risk</p>

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		<p>having been delivered. All 17 Refuse Collection 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>	resource has now been recruited to manage this project	work together to identify optimal funding arrangements for the fleet, as well as identifying opportunities to re-organise the 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	programme to define future requirements.	deliver efficiencies and it is anticipated that in the longer term this can be exceeded	Amber/Red Behind schedule, but remedial action now being taken to drive this project forward
MP32	Programme Momentum (previously Property Conservation / Shared Repairs)	<p>The Programme is now drawing to a close with Customer contact now receiving fewer enquiries, complaints and FOI requests received each month. The settlement team have now issued letters to all complainants and other affected owners. Deloitte have completed all case reviews. Morton Fraser continue to lead on debt recovery with significant progress being made and the recovery rate increasing on a monthly basis.</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	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	<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.

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				financial and reputational risk to the Council.	role within it.		
MP33	Edinburgh St James	<p>The Compulsory Purchase Order (CPO) has been implemented for the St James Quarter redevelopment and all costs to the Council are being reimbursed.</p> <p>The Growth Accelerator Model (GAM) Agreement is between the Scottish Government and the Council, and separately between the Council and TIAA Henderson was approved by Council on 19 November 2015.</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>	<p>The over-run of the CPO inquiry has had a knock on effect to the commencement of works on site.</p> <p>The developer's indicative master programme for development shows demolition and site start in May 2016 with completion around 2019 for retail elements and around 2020/21 for the remaining leisure and residential elements.</p>	<p>Contractual arrangements have been structured to minimise financial risk to CEC. To date all costs incurred by the Council have been reimbursed by the developer.</p> <p>Present GAM works budget has been reduced.</p>	Management, governance, risk and financial control are managed through a Minute of Agreement.	Redevelopment 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.. There are a number of Community Benefits including increased employment and training for unemployed and harder to reach group.	<p>Risk: Amber</p> <p>Major interdependency with the Tram Extension Project.</p>

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MP34	ICT Transition & Transformation Programme	<p>An effective Service cutover from incumbent to CGI was achieved on 1 April 2016.</p> <p>Focus on overcoming the Technical challenges posed relating to the closure of the incumbent's Data Centre and Network by 30 June.</p> <p>Successful Network migration of a number of sites which the incumbent was unable to progress for 2/3 years.</p>	<p>Key Transition cutover has been achieved on 1st April</p> <p>However there are a number of critical tasks are planned around the Data Centre and Network migration on 30th June.</p> <p>Future transformational activities are scheduled over the coming months. Notably ERP (the replacement GL/ Payroll) with the plan being rebaselined to achieve a December deployment,</p>	<p>Additional costs have been identified but their total is expected to be significantly less than the sums noted for contingency.</p>	<p>Assurance Review Amber Green</p>	<p>Benefits are due to accrue from 2016/17 onwards; the planning for Benefits Realisation and delivery of Community Benefits and use of local SMEs is at an advanced stage. SME engagement has started early.</p> <p>New WAN circuits (for example Drummond Community High School are noticeable faster)</p>	<p>Risk Amber</p> <p>CGI and Council Programme 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</p>

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MP36	Tram Extension and Leith Programme	In January 2015 there was a decision to integrate the Tram Extension and Leith Programme Boards. Governance arrangements are now in place and work broken down into five workstreams, namely Commercial, Technical, Finance, Acquisition and Work. A Programme Management Office is being formed to support the Programme and preparatory work is being undertaken to appoint Commercial, technical and legal advisors.	Work is ongoing to appoint legal advisors by July 2016. Leith Programme Phase 4 and 5 will continue during 2016/17.	<p>The tram budget for Stage 1, including land acquisition is £5m and this is being tracked at a high level until further consultancy support is procured.</p> <p>The budget for the Leith Programme, including tram elements in the footways is currently being reviewed and all budgets will be reconciled by the commercial advisors once appointed.</p>	<p>Programme Board has reviewed lessons learned to date in developing the extension to Newhaven and these have been integrated into Outline Business Case and Commercial Strategy.</p> <p>Consideration to retaining legal knowledge in supporting the Council through completion</p>	The tram extension is to support the overall level of economic growth of Edinburgh through enhancing the viability and attractiveness of major housing and employment sites identified in Local Development Plans.	Ongoing work to manage the interface with the St James Quarter development.