

Governance, Risk and Best Value Committee

10am, Tuesday, 4 June 2019

Change Portfolio

Executive/routine
Wards
Council Commitments

1. Recommendations

- 1.1 To report on the status of the Council's Portfolio of significant projects.

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Change Portfolio

2. Executive Summary

- 2.1 This report forms part of the regular six-monthly report to Governance, Risk and Best Value Committee to give members an oversight of delivery and risk of the Council's Portfolio of Change.
- 2.2 Appendix 1 contains:
 - 2.2.1 the dashboard with the status of projects within the portfolio as at the end of April;
 - 2.2.2 those projects which are currently assessed as Red and their supporting narrative and remedial action; and
 - 2.2.3 details of how projects included within the portfolio are aligned with Committees for the purpose of decision making and scrutiny.

3. Background

- 3.1 Since our last report in November 2018 the Change Board has continued to meet monthly to monitor the overall shape and size of the portfolio; manage resource allocation; track project delivery and ensure that benefits are delivered.

4. Main report

- 4.1 The Deliver Unit lead this work and are embedding a portfolio approach to delivery across the Council. This encompasses ensuring projects are set up for success through a "Gated" process at key stages of the project lifecycle. This starts with business case development at initiation and planning stages which reviews available options and agrees project benefits up front.
- 4.2 Project Management best practice documentation consistently highlights the importance of key tasks noted below in the initiation and planning stages to ensure successful project delivery.
 - 4.2.1 Understanding and reviewing the various options
 - 4.2.2 Understanding complexities, risks and opportunities

4.2.3 clearly defining benefits upfront

4.2.4 and identifying the appropriate resource

- 4.3 This Business Case process is embedding well and there is a steady stream of Business Cases coming to Change Board for approval. This includes all key Change Strategy Budget proposals being underpinned by Business Cases.
- 4.4 In addition, there is now a solid track record in producing Close reports to confirm how the objectives outlined as part of the Business Case have been delivered. The Close Report also includes any lessons learned that can be applied to future projects.
- 4.5 In October 2018 the Change Portfolio had oversight of 47 Projects. By April 2019 there were 49 Projects, however this is inclusive of 11 projects joining and 9 Projects leaving the Portfolio. The projects within Health and Social Care have migrated from the Change Portfolio to Governance via the EHSCP and Edinburgh Integration Joint Board (EIJB)
- 4.6 The monthly dashboard in Appendix 1 sets out the status of the portfolio as at the end of April.
- 4.7 At Committee in November 2018, there was a Deep Dive into the approach taken on the Building Standards Improvement Project. This was project was well developed and in full delivery mode. This time, we are presenting the SWIFT Replacement Project as a Deep Dive. This is a project in the early stages of development and will demonstrate the necessary steps to scope and ensure that a complex project with range of stakeholders is set up for success.

Internal Audit

- 4.8 Internal Audit issued a report with an Amber Rating in May 2019 on Portfolio Governance. The report recognises the significant progress made since the 2017/18 Internal Audit review which included two High rated findings. Seven of the eight management actions supporting the finding in relation to programme management have been closed. Evidence has been provided to Internal Audit to support closure of the remaining finding. Seven of the eight management actions supporting the high rated finding in relation to benefits realisation have been closed. The remaining action for a consolidated benefits realisation plan has an agreed approach and framework but requires further time to embed.
- 4.9 The May 2019 internal audit report recognised significant progress in implementation of a portfolio governance framework that reflects best practice in a number of areas, and facilitates standardised reporting across the major project's portfolio, enabling ongoing oversight and scrutiny by both the Change Board and GRBV.
- 4.10 Work has already commenced to implement the recommendations outlined in the report.

5. Next Steps

- 5.1 Change Board will continue to monitor the Change Portfolio monthly. Work will continue to strengthen and embed the Portfolio Governance Framework.

6. Financial impact

- 6.1 The financial impacts of significant change will also be reported through the revenue and capital monitoring process. The purpose of the pack is to give a holistic overview of all the change activity in the council, so we can direct finances accordingly.

7. Stakeholder/Community Impact

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

8. Background reading/external references

- 8.1 10.1 Change Portfolio June 2018
- 8.2 10.2 Change Portfolio November 2018

9. Appendices

Appendix 1 Portfolio Dashboard as at the end of April.

Portfolio Update: Dashboard April 19

49

Projects

£166m

Investment 19/20

PROJECTS REPORTING RED

Facilities Management Transformation

Estate Rationalisation

Service Design

Travel Demand Management

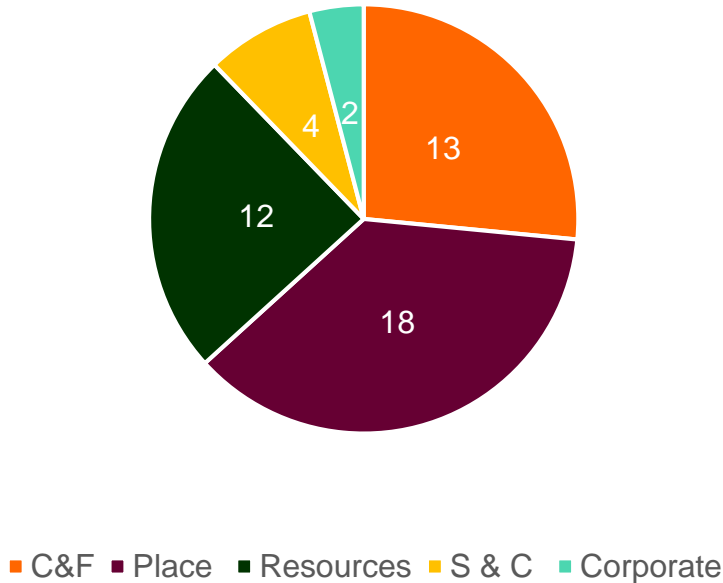
Edinburgh Leisure: Sports Facilities in Schools

Paperless Strategy

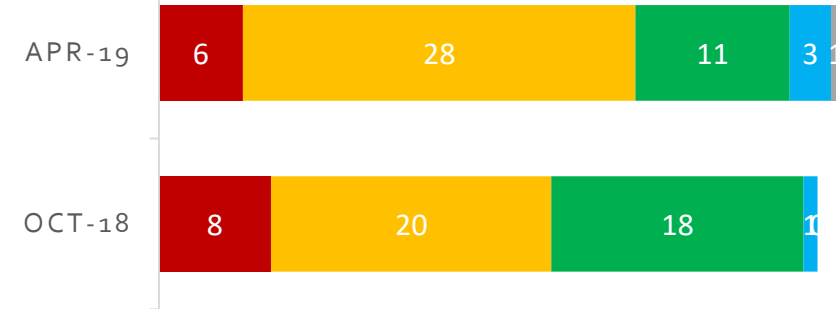
PROJECTS BY PHASE



PROJECTS BY DIRECTORATE



PROJECT RAG STATUS



PROJECTS JOINING THE PORTFOLIO

Customer, Digital and Multi-Channel	Apr 19
Paperless Strategy	Apr 19
Efficiencies Programme	Apr 19
Culture Service Review	Mar 19
Workforce Modernisation	Mar 19
Service Design	Mar 19
Income Maximisation	Mar 19
Depots & Yards	Mar 19
Business Intelligence	Nov 18
Craigmillar High School	Nov 18
Early Years wider curriculum	Nov 18

PROJECTS LEAVING THE PORTFOLIO

Transport Review	Mar 19
Home Care Efficiency	Mar 19
Workforce Management	Mar 19
Responder Service Contract	Mar 19
Asset Based Approach	Mar 19
Service Transformation	Mar 19
Barclaycard online	Mar 19
EDI Transition	
Customer phase 1	

RAG status guidelines: the following RAG guidance is provided to project SROs

RED	Amber	Green
<ul style="list-style-type: none"> - The project requires immediate remedial action to achieve objectives - The timeline/cost/objectives are at risk - Significant obstacles or issues prevent the work team and consequently the programme from meeting plans - Even with corrective action, expected action may be insufficient to ensure outcomes/ benefits are met - 2 or more projects / workstreams are RED - 2 or more risks or issues are red 	<ul style="list-style-type: none"> - The project has a problem but action is being taken to resolve this , or - The project has a potential problem that has been identified and no action may be taken at this time but it is being carefully monitored - Some obstacles or issues put the work team at risk of meeting plans - Outcomes/ benefits likely to be achieved but action must be taken quickly - 1 - 3 projects / workstreams are AMBER - 0 to 2 projects / workstreams are AMBER - 2 or more risks or issues are RED 	<ul style="list-style-type: none"> - The project is on target to succeed. - Face only minor obstacles, if any - High confidence in ability to implement plans - No issues are threatening the outcomes or benefits - 0 to 1 projects / workstreams are AMBER - No projects / workstreams are RED - No risks or issues are RED

Portfolio Update: The following projects have reported RED

Project	SRO	Description	Mitigating Actions
Facilities Management Transformation	Peter Watton	The Facilities Management (FM) Transformation element of the overarching Asset Management Strategy (AMS) Programme has proven more challenging to implement than was originally envisaged. The phase 1 Janitorial Review has been completed and implemented and the phase 2 review of the Cleaning service is moving in to delivery. However, with the Councils' operational estate increasing in size due to new schools, the FM team is facing cost pressures with more floorspace to support, rather than a reduced estate costing less to manage.	The AMS, which was originally set in 2015, has been subject of detailed review as reported to the Finance and Resources Committee in January 2019. While the Cleaning Service Review is progressing on track with the supervisor consultation finished on the 29 April and the anticipated Go Live date for the new supervisor structure will be 1 June 2019. The underlying issue remains with the operational estate growing and can only be addressed by closing existing property and/or cutting back on front line services.
Estate Rationalisation	Peter Watton	The Estate Rationalisation element of the overarching Asset Management Strategy Programme has been unable to release the assumed financial savings originally forecast, because the scale of disposal of Council operational properties has not been able to be achieved. A fundamental review of future disposal and rationalisation opportunities needs to be undertaken, given that corporate office accommodation has already been significantly reduced within the city centre.	The AMS, which was originally set in 2015, has been the subject of a detailed review, which was reported to the Finance and Resources Committee in January 2019. Benefits delivery for 19/20 are on track from this month due to rent from Visit Scotland at CC. Further options for Estate Rationalisation are actively being pursued through the Council's Change Strategy including: Depot Review, Storage consolidation, Cultural Service Review and Service Design. (see below).
Service Design	Peter Watton	Red status reflects the scale of the savings still to be achieved.	Gracemount and Trinity areas underway. Core team formed, data gathering and stakeholder mapping underway.
Paperless Strategy	Nicola Harvey	CGI to issue solutions to enable myPrint Skyline emails to be auto generated to council mailboxes and issue a proposal with suitable costs to link the router to the network for the scanning solution.	CGI are in the process of putting a Non-Disclosure Agreement (NDA) in place with scanning provider Pitney Bowes to enable the issuing of a proposal which covers all aspects of the solution. Completion of this is NDA is being targeted for June with delivery being targeted for Q3 2019.

Portfolio Update: The following projects have reported RED

Project	SRO	Description	Mitigating Actions
Travel Demand Management	Crawford McGhie	<p>Red status reflects the financial pressures.</p> <p>Due to the general rise in the school population and the rise in the percentage of pupils with additional support needs in special and mainstream schools the demand for home to school transport has increased significantly in recent years and is projected to continue to increase in future years.</p>	<p>The aim of the project is to ensure a reduction in the overall cost per pupil while at the same time improving the services provided.</p> <p>A project board involving several senior staff from Communities and Families with support from Finance has been meeting regularly since December 2018 when additional project management resources were aligned to this project from Strategy and Communications. The Passenger Operations team has transferred from Place to Community and Families to allow more joined up solutions to be developed moving forward. A Transport Allocation Panel has been established to oversee the allocation of complex home to school transport packages to ensure the best value for money is achieved for every pupil supported while continuing to meet specific needs.</p> <p>The areas which are being considered in order to create a more efficient and improved home to school transport system in Edinburgh are:</p> <ul style="list-style-type: none"> • Increased use of Council fleet and drivers to provide services rather than reliance on private sector contractors. • Specific work with the families of pupils with high cost transport packages to investigate whether alternative solutions could cost less but also provide a better service to the family. • More use of Lothian buses rather than dedicated coaches. • A refresh of the home to school policy and procedures to ensure all staff involved in the allocation of home to school transport packages provide the best solution for every situation.
Edinburgh Leisure Sports Facilities in School	Andy Gray	<p>Red status reflects the financial pressures emerging from this projects.</p>	<p>The transfer of secondary school sport facilities to Edinburgh Leisure project is continuing to progress and develop options to mitigate the £1m budget pressure previously reported. Increase in use is being progressed by Edinburgh Leisure and price increases have been approved and will come into effect from 1st August. A new opening hour schedule has been put in place that allows all existing sports lets to continue and provides a framework to manage and control additional charges for accessing PPP and CEC secondary schools. The changes implemented during 2018/19 have delivered approximately £0.2m of additional income and cost reductions, reducing the pressure to £0.8m, and the full year benefit of this will reduce the pressure further in 2019/20. Further diligence is being carried out on the expansion of Edinburgh Leisure's role in managing community access to the school estate with a view to delivering further efficiencies. The transfer of WHEC and Leith Academy to Edinburgh Leisure has stalled due to complications around TUPE conditions and officers from the Council and Edinburgh Leisure are working to resolve these issues.</p>

Parent Committees

Place Directorate

C & F Directorate

Resources Directorate

S & C Directorate

Project/Programme	Committee	Date	Project/Programme	Committee	Date	Project/Programme	Committee	Date	Project/Programme	Committee	Date
Communal Waste Re-Design	Transport & Environment	Aug 18	Edinburgh Leisure – Sports Facilities in schools	Finance & Resources	To follow	Customer	Corporate Policy & Strategy	May 19	Committee Management System		N/A
Building Standards Improvements	Planning	Aug 18							Swift Replacement	N/A	
Roads Improvement Plan	Transport & Environment	Dec 18	Travel Demand Management	Education, Children and Families	May 2019	Paperless Strategy	Corporate Policy & Strategy	May 19	LAAC & Merged File Review	GRBV	N/A
National Housing Trust	Finance & Resource	Oct 18							New Boroughmuir HS	Education, Children and Families	October 2019
21st Century Homes	Finance & Resource	Feb 18	New St Johns	Finance and Resources	Feb 2018	Estate Rationalisation	Finance & Resources	Aug 19			
Zero Waste	Transport & Environment								Early Year Programme	Education, Children and Families	March 2019
Fleet Services	Finance & Resources	March 19	Rising School Rolls	Education, Children and Families	December 2018	Investments	Finance & Resources	May 19			
West Princes St Gardens	Transport & Environment	Oct 18							New Queensferry HS	Finance and Resources	March 2018
Edinburgh St James	Transport & Environment	May 19	Enterprise Content Mgt	Finance and Resources	April 2019	Intranet	GRBV Quarterly	June 19			
North Bridge	Transport & Environment. Finance & Resources:	Mar 18							Edinburgh Canaan PS	Finance and Resources	February 2018
Energy Efficient Street Lighting	Full Council	Feb 2018	New Broomhills PS	Finance and Resources	Feb 2018	Voice Contact Centre	GRBV Quarterly	June 19			
Tram Extension - Proposed	Full Council	Mar 19							New Victoria PS	Finance and Resources	Feb 2018
Meadowbank Redevelopment	Finance & Resources	Oct 18	New Craigmillar High School	Finance and Resources	October 2018						
Fountainbridge	Finance & Resources	Mar 19									
Local Development Plan 2	Planning	Mar 19									
Culture Service Review		N/A									
Depots Strategy	Finance & Resources	Dec 18									
Income Maximisation	Finance & Resources	N/A									

Corporate

Project/Programme	Committee	Date
Efficiencies Programme	Finance & Resources	May 19
Workforce Modernisation	Finance & Resources	May 19

Prioritisation Framework: this matrix acts as a guide as to whether a project should report to the portfolio board

	Low - 1	Medium - 2	High - 3
Strategic	Does not align to the Council's Strategy Framework	Supports/ enables Council Strategy Framework Business Plan/ Coalition Pledges, City Vision/ City Deal	Integral component Council Strategy Framework Business Plan/ Coalition Pledges, City Vision/ City Deal
Financial	Financial impact revenue/ capital <£1m	Financial impact revenue/ capital £1-5m	Financial impact revenue/ capital £5m + Generates significant savings/income
Risk	Low probability of the risk materialising which has an impact on the Council's Objectives	Possible that the risk may materialise which has at least a significant impact on the Council's objectives	Greater than 50% that the risk will materialise with at least a significant impact to the Council's objectives
Transformational	Incremental change to the current service offering	Provides opportunity for a changed service offering such as deploying new software, however the changes does not fundamentally alter the service offering	Provides opportunities to deliver at least one service in a new or significantly different manner
Community / Environmental Impact	Moderate impact on one locality	Moderate impact on multiple Localities or significant impact in at least one locality	Major impact on Multiple Localities or significant impact in at least one locality forming part of a locality improvement plan
Political	Negligible/ Minor political implications	Project will require ongoing Committee Scrutiny	Highly sensitive, likely to be subject to Committee debate and scrutiny. Potential for Trade Union interest / Service reductions
Staff Impact/Culture	Negligible/ Minor staff implications	Major staff implications in at least one Service Area	Highly sensitive, likely to be subject to Committee debate and scrutiny. Potential for Trade Union interest / Service reductions
Legislative	Marginal change to existing regulatory/ legislative framework	New Mandatory Regulatory/ Compliance Project which has an incremental change. Unlikely to carry reputational impact	New Mandatory Regulatory/ Compliance Project with potential of reputational impact