

# Governance, Risk and Best Value Committee

10am, Tuesday, 3 December 2019

## Change Portfolio

Executive/routine  
Wards  
Council Commitments

### 1. Recommendations

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1.1 To note the status of the Council's Portfolio of significant projects.

**Andrew Kerr**

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## Change Portfolio

### 2. Executive Summary

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- 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 October;
  - 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

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- 3.1 Since our last report in June 2019 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

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- 4.1 The Delivery 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.
  - 4.2.1.1 Understanding and reviewing the various options
  - 4.2.1.2 Understanding complexities, risks and opportunities

4.2.1.3 clearly defining benefits upfront

4.2.1.4 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 The Change Board actively reviews the status of projects and considers supportive actions where appropriate. The change strategy and change portfolio actively work together to ensure ongoing alignment.
- 4.6 There are currently 53 projects included within the portfolio, this is inclusive of 7 projects joining and 3 projects leaving the Portfolio.
- 4.7 The monthly dashboard in Appendix 1 sets out the status of the portfolio as at the end of October.

## **5. Next Steps**

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- 5.1 Change Board continues to monitor the portfolio of projects monthly. Work will continue to consolidate and embed the Portfolio governance framework. The change strategy is actively considering change proposal options which are supported by initial business case documentation. In due course delivery of key proposals will be tracked by the change portfolio.

## **6. Financial impact**

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- 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**

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- 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**

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- 8.1 [Change Portfolio June 2019](#)

## 9. Appendices

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Appendix 1 Portfolio Dashboard as at the end of October.

# Portfolio Update: Dashboard – October 2019

Place 22			Communities & Families 15			Resources 10			Councilwide 4			Strategy & Communication 4		
Sep	Oct	Theme	Sep	Oct	Theme	Sep	Oct	Theme	Sep	Oct	Theme	Sep	Oct	Theme
Building Standards		TRM	Boroughmuir High School		CC	Service Design		TRM	Your Total Reward		TRM	Business Intelligence		TRM
Roads improvement plan		TRM	Craigmillar High School		CC	Web/Customer Digital Enablement		TRM	Efficiencies Programme		ES	Intranet		TRM
Communal Bin Review		TRM	New St Johns PS		CC	Customer Digital Multi-Channel		TRM				SE Scot City Regional Deal		CC
Depots and Yards		TRM	Early Year Programme		CC	ERP		TRM				Committee Management		MAN
Zero Waste		TRM	New Queensferry HS		CC	Enterprise Content Mgmt		TRM						
Housing Service Improvement Project		TRM	New St Crispins SS		CC	Gandlake		TRM	Asset Condition		MAN			
City Centre Transformation	NEW	TRM	New South Edinburgh PS		CC	Paperless Strategy		TRM	Estate Rationalisation		ES			
National Housing Trust		CC	New Broomhills PS		CC				FM Transformation		ES			
10,000 Homes		CC	New Victoria PS		CC									
St James - GAM		CC	Replacement Currie HS		CC									
Street Lighting (EESLP)		CC	Bangholm Sports Centre		CC									
Meadowbank Redevelopment		CC	Rising School Rolls		MAN									
Tram Extension		CC	LAAC & Merged File Review		MAN									
Fountainbridge		CC	Edinburgh Leisure		ES									
Granton Waterfront		CC	Travel Demand Mgmt		ES									
Local Development Plan 2		MAN												
West Princes St Gardens		MAN												
North Bridge Refurbishment		MAN												
Localities Phase 2	NEW	MAN												
Culture Service Review		ES												
Fleet Services		ES												
Income Maximisation		ES												

TRM – Transformation/Change  
 ES – Efficiencies Savings  
 MAN- Mandatory/Risk  
 CC – Council Commitments

# Portfolio Update: GRBV 6 month Report

# 53

Projects

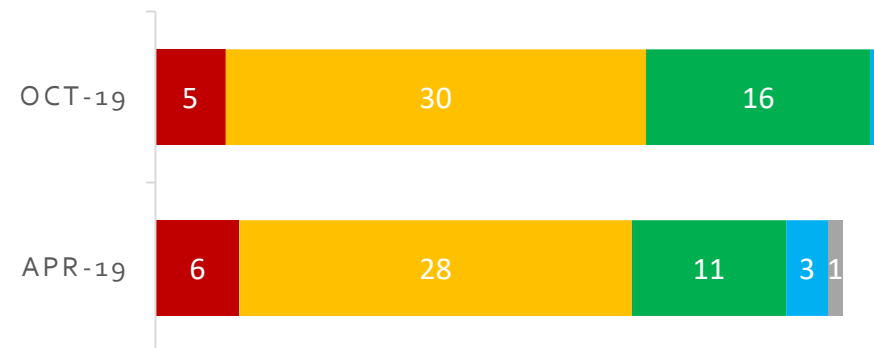
# £233m

Investment 19/20

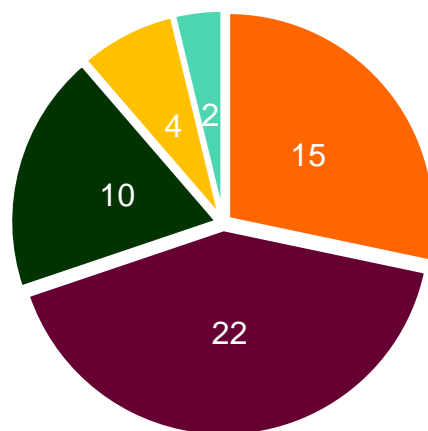
## PROJECTS BY PHASE



## PROJECT RAG STATUS



## PROJECTS BY DIRECTORATE



■ C&F 
 ■ Place 
 ■ Resources 
 ■ S & C 
 ■ Corporate

### PROJECTS REPORTING RED

Facilities Management  
Transformation

Estate Rationalisation

Service Design

Edinburgh Leisure:  
Sports Facilities in Schools

ERP

### PROJECTS JOINING THE PORTFOLIO

City Centre Transformation	Sep 19
Localities Phase 2	Sep 19
Housing Service Improvement Project	Aug 19
Granton Waterfront	Sep 19
Replacement Currie High School	Sep 19
Bangholm Sport Centre	Sep 19
Web/Customer Digital Enablement	Oct 19

### PROJECTS LEAVING THE PORTFOLIO

Investments	May 19
Voice Call Centre	Sep 19
SWIFT Replacement	Oct 19

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

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

# Portfolio Update: The following projects have reported RED 1/2

Project	Date First reported red	SRO	Description	Mitigating Actions
Facilities Management Transformation	July 18	Peter Watton	The Facilities Management (FM) Transformation element of the overarching 2015 Asset Management Strategy Programme has proven more challenging to implement than was originally envisaged. 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 2015 Asset Management Strategy, which was based upon a series of assumptions relating to asset disposals, reducing the service and costs of facilities management and generating greater income from the commercial property portfolio is being fundamentally reviewed. Officers are developing plans for consideration for a revised approach to create a 21 <sup>st</sup> Century Estate Programme as part of the ongoing Change Strategy and will be brought forward as part of the budget process for 2020/21.  This revised approach will develop a long term programme that seeks to improve access to services, reduce the Council's carbon footprint by learning from the recent service design experience and supporting further collaboration across the public sector that will design our buildings around service delivery.  The ERP programme involves a series of relatively complex commercial and contractual arrangements, which have been streamlined and simplified where possible. This includes arrangements with CGI and other third party suppliers, including systems integration partners. The funding for the programme is fully contained with the Digital Services budget and this has involved the use of prudent programme contingency funding to ensure that delivery is achieved and completed to plan.
Estate Rationalisation	February 18	Peter Watton	The Estate Rationalisation element of the overarching 2015 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.	
Service Design	April 19 New Project	Peter Watton	The Service Design Programme is predicated on the application of the Scottish Government's approach to Service Design. This involves extensive community engagement and involvement in exploring the needs of citizens and re-provisioning the delivery of these using a different asset base for the future. This not only creates the opportunity to improve outcomes and access to services, but has the potential to support the rationalisation of the existing operational estate for the Council. 4 pilot areas across the City are being progressed as a Service Design approach. This is a long-term change programme which supports a community empowerment approach.	
Enterprise Resource Planning (ERP)	June 19	Stephen Moir	The ERP Programme, which is focussed upon the upgrading and improved interfacing of legacy systems and their core functionality, has reached a critical delivery point. The HR/Payroll system (MHR) is in the process of being upgraded. The Oracle Financials upgrade contract award is being finalised progressed. In addition, Oracle has been confirmed as the Debt Management replacement system subject to the necessary contract addendum.	



# Portfolio Update: The following projects have reported RED 2/2

Project	Date first report red	SRO	Description	Mitigating Actions
Edinburgh Leisure Sports Facilities in Schools	October 18	Andy Gray	Red status reflects the financial pressures emerging from this project	<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. 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.</p> <p>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. This includes non-sport lets at secondary schools and primary school lets.</p> <p>The transfer of WHEC and Leith Academy to Edinburgh Leisure has is progress, after TUPE transfer challenges from Edinburgh Leisure which have been addressed. Officers from the Council and Edinburgh Leisure are working to finalise and complete the transfer, aiming for completion by 1<sup>st</sup> April 2020. We will be working with Edinburgh Leisure to identify opportunities at both schools for efficiencies and additional income.</p>

# Parent Committees

## Place Directorate

Project/Programme	Committee	Date
Communal Waste Re-Design	Transport & Environment	5 Dec 19
Building Standards Improvement Plan	Planning	11 Dec 19
Roads Improvement Plan	Transport & Environment	11 Oct 19
National Housing Trust	Finance & Resource	Oct 18
20,000 Homes	Council	12 Dec 19
Zero Waste	Transport & Environment	
Fleet Services	Finance & Resources	10 Oct 19
West Princes St Gardens	Culture & Communities	4 Oct 18
Edinburgh St James	Transport & Environment	May 19
North Bridge	Transport & Environment. Finance & Resources:	27 Mar 18
Energy Efficient Street Lighting	Full Council	1 Feb 18
Tram Extension	Finance & Resources	10 Oct 19
Meadowbank Redevelopment	Finance & Resources	11 Oct 18
Fountainbridge	Finance & Resources	7 Mar 19
Local Development Plan 2	Planning	11 Dec 19
Culture Service Review	Culture and Communities	12 Nov 19
Depots Strategy	Finance & Resources	4 Dec 18
Housing Improvement Plan	Housing, Homelessness and Fair work	31 Oct 19
Income Maximisation	Finance & Resources	N/A
City Centre Transformation	Transport & Environment	12 Sept 19
Granton Waterfront	Finance & Resources	6 Dec 19
Localities Phase 2		

## Communities and Families Directorate

Project/Programme	Committee	Date
Edinburgh Leisure – Sports Facilities in schools	Education, Children and Families	16 Aug 19
Travel Demand Management	Education, Children and Families	May 2019
New Boroughmuir HS	Education, Children and Families	10 Oct 19
New St Johns	Education, Children and Families	10 Oct 19
Early Year Programme	Education, Children and Families	8 Oct 19
Rising School Rolls	Education, Children and Families	10 Oct 19
New Queensferry HS	Education, Children and Families	March 2018
New St Crispins SS	Education, Children and Families	April 2019
Edinburgh Canaan PS	Education, Children and Families	Feb 2018
New Broomhills PS	Education, Children and Families	Feb 2018
New Victoria PS	Education, Children and Families	Feb 2018
New Craigmillar HS	Education, Children and Families	Oct 2018
Currie HS	Education, Children and Families	Oct 2018
Bangholm Sports Facilities	Education, Children and Families	Oct 2018
LAAC & Merged File Review	GRBV	3 Dec 2019

## Resources Directorate

Project/Programme	Committee	Date
Customer / Digital/ MultiChannel	GRBV Quarterly	29 Oct 19
Web/ Customer/ Digital Enablement	GRBV Quarterly	29 Oct 19
Paperless Strategy	GRBV Quarterly	29 Oct 19
Asset Condition	Finance and Resources	15 Aug 19
Estate Rationalisation	Finance and Resources	15 Aug 19
Facilities Management Transformation	Finance and Resources	15 Aug 19
Service Design	Finance and Resources	15 Aug 19
Enterprise Content Mgt	GRBV Quarterly	29 Oct 19
Gandlake	GRBV Quarterly	29 Oct 19
ERP	GRBV Quarterly	29 Oct 19

## Strategy and Communications Division

Project/Programme	Committee	Date
Committee Management System	Not reporting	
Business Intelligence	GRBV	29 Oct 19
Intranet	GRBV Quarterly	29 Oct 19
Edinburgh & SE Scotland City Regional Deal	Council	24 Oct 19

## Councilwide

Project/Programme	Committee	Date
Efficiencies Programme	Finance and Resources	23 May 19
Workforce Modernisation	Finance and Resources	23 May 19

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

	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