Governance, Risk and Best Value Committee

10.00am, Tuesday, 04 May 2021

Change Portfolio

Executive/routine	Executive
Wards	
Council Commitments	

1. Recommendations

1.1   The Governance, Risk and Best Value Committee is recommended to note the status of the Council's Portfolio of significant projects with an Amber RAG status.

Andrew Kerr
Chief Executive

Contact: Emma Baker, Change and Delivery Manager
Strategy and Communications Division, Chief Executive's Service
E-mail: Emma.Baker@edinburgh.gov.uk

Report

Change Portfolio

2.   Executive Summary

2.1   The Change Board is a specific meeting of the Corporate Leadership Team (CLT) and reports on a six-monthly cycle to the Governance, Risk and Best Value (GRBV) Committee. In doing so, the Committee receives an overview of strategic delivery and the associated risks and issues managed within the Council's Change Portfolio of major Programmes and Projects.

2.2   The portfolio was last reported to Committee on 21 March 2021 and members requested a further report on the Amber status projects in addition to the Red projects.

2.3   **Appendix 1** contains:

- the dashboard with the status of projects within the portfolio as at the end of April 2021; and,

- those projects which are currently assessed as Amber and their supporting narrative with mitigating actions.

3.   Background

3.1   Since the last report in March 2021 the Change Board have met to discuss the month of April and the progress of the portfolio.

3.2   As per the Committee action this discussion focused around the Amber status programmes and projects within the portfolio. Mitigating actions have been identified across the projects and are underway as is the normal project management process.

4.   Main report

Change Portfolio Progress Update

4.1   Currently there are 37 active projects split across the Adaptation and Renewal programme Officer Working Groups which are reported into the Change Portfolio on a monthly basis.

4.2   This month the portfolio is reporting 24 out of 37 projects as having an Amber status for the month of April.

4.3   There are four statuses which can be used to describe progress. These are:

- **Green** – the project is on target to succeed with only minor obstacles, with no red issues of risks identified

- **Amber** - 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, two or more risks and issues are red

- **Red -** the project requires immediate remedial action to achieve objectives, the timeline/cost/objectives are at risk and/or significant obstacles or issues prevent the team and consequently the programme from meeting plans

- **Blue –** the project is delivered, but needs to complete a formal close report to be removed from the Portfolio

4.4   It is not unexpected for a high number of projects within the portfolio to be sitting as Amber due to its wide-ranging description and while it is not necessarily a negative position, it does require careful monitoring of mitigating actions by the SRO.

4.5   High level analysis has been undertaken on the 24 Amber projects and they have been grouped these into 3 categories:

1. **Delivery directly impacted due to COVID-19, however clear mitigations underway –** 3 projects

2. **Complexity of delivery and/or resource capacity, status reviewed, mitigations outlined –** 8 projects

3. **Construction works delayed due to COVID-19, work to assess & re baseline –** 13 projects

4.6   In category one, three projects have been identified as directly impacted by COVID-19 and are not construction projects. Two out of the three projects have put in place mitigations and are back delivering against the project objectives. The remaining project has decided to expand the scope since COVID-19 and is writing a revised business case and project plan.

4.7   Category two is a more complex set of projects which while COVID-19 will have certainly caused resource issues and/or made the delivery more complex, these already had some issues which required to be resolved to move delivery forward as per their plan.

4.8   The last category is all infrastructure projects which will have incurred at least a 12-week delay with on-site works completely restricted. These projects may also be suffering from workforce and sourcing issues due to the market conditions caused by continued restrictions.

4.9   Further information on all of the projects and their specific mitigating actions are detailed in **Appendix 1** of this report.

5.   Next Steps

5.1   This was an additional report requested by the Committee for further information on the portfolio and delivery progress. The next report GRBV Committee will be in the normal 6 monthly reporting cycle in September 2021.

6.   Financial impact

6.1   There are no specific financial impacts of this report, other than those contained in the detail of individual projects. The financial impacts of significant change are also be reported through the revenue and capital monitoring process. The purpose of the pack is to give a holistic overview of all the significant change activity in the Council, so we can direct resources accordingly.

7.   Stakeholder/Community Impact

7.1   Consultation and engagement activities, either internally or externally, are carried out within individual projects and is addressed in separate reports to Council or committee.

8.   Background reading/external references

8.1   Change Portfolio Report March 2021

8.2   Council Business Plan and Budget 2021/26 Report

9.   Appendices

9.1   Appendix 1 – Change Portfolio Pack

Appendix 1:

Change Portfolio

GRBV Committee

April 2021

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

Red	Amber	Green	Blue
▪ 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	▪ 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	▪ 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	▪ The project delivered, but needs to complete a formal close report to remove from the Portfolio

37 Projects

11
Strategic Development Investment Board
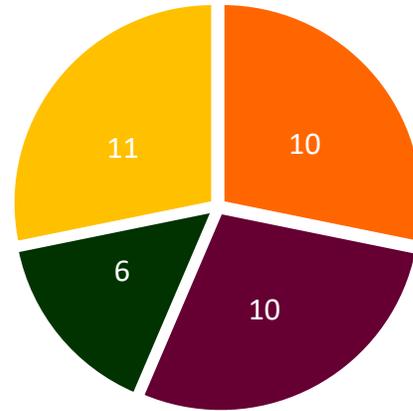
10
Service Operations

10
Life Chances
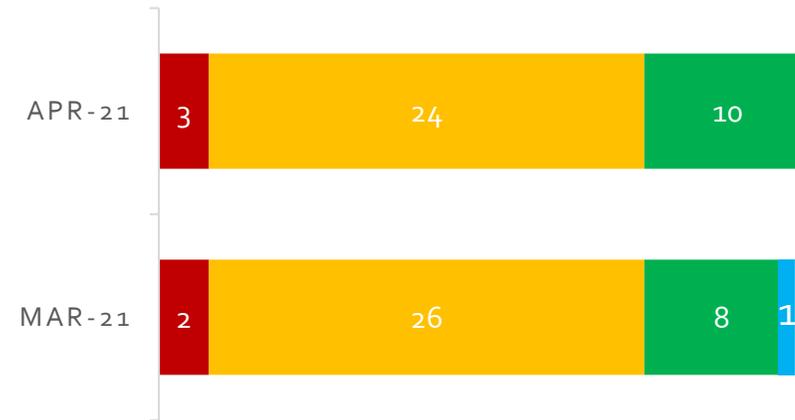
6
Change, People & Finance

PROJECTS BY A&R WORKSTREAM

- Service Ops
- Life Chances
- Change, People & Finance
- Economic Recovery

24/37 are at Amber, see following slides for breakdown and mitigations.

PROJECT RAG STATUS

	+1	
	0	
	+2	
	-1	
	0	

PROJECTS REPORTING RED_3	UPDATE
St James - GAM Agreement	*Discussions are underway with the contractor to continue to negotiate position.*
North Bridge Refurbishment	*Programme delivery is slipping since timeline readjusted moves back to Red with further work underway to understand additional mitigations.*
Edinburgh Leisure – Sports Facilities in Schools	*COVID -19 restrictions has prevented the re-opening until this week. Specific next steps will be considered as part of the wider Wellbeing programme.*

Portfolio Update: Dashboard - April 2021

Change, People & Finance
6/6

	March	April	Theme
Your Pay and Benefits	🟩	🟩	TRM
Asset Management Works	🟧	🟧	ES
Customer Digital Enablement	🟧	🟧	TRM
Enterprise Resource Planning	🟧	🟧	TRM
Business Intelligence	🟧	🟧	ES
Digital Service Partnership Savings	🟩	🟩	TRM

Life Chances
11/11

	March	April	Theme
Early Year Programme	🟧	🟧	CC
LAAC File Review	🟧	🟧	MAN
Homelessness Programme	🟩	🟩	TRM
New Queensferry HS	🟧	🟧	CC
New St Crispin's SS	🟧	🟧	CC
New Broomhills PS	🟧	🟧	CC
New Victoria PS	🟧	🟧	CC
New South Edinburgh PS	🟧	🟧	CC
New Craigmillar High School	🟧	🟧	CC
Replacement Currie High School	🟩	🟩	CC
Bangholm Sports Centre, Trinity Academy	🟧	🟧	CC

Service Operations
10/10

	March	April	Theme
Building Standards	🟧	🟧	TRM
Communal Bin Review	🟧		TRM
Housing Service Improvement Project	🟧	🟧	TRM
Depots and Yards	🟩	🟩	TRM
Edinburgh Leisure	🟥	🟥	ES
Street Lighting (EESLP)	🟧	🟩	CC
North Bridge Refurbishment	🟧	🟥	MAN
Travel Demand & Logistics	🟧	🟧	ES
Libraries Service	🟧	🟧	TRM
Fleet Services	⬛	🟧	ES

Strategic Development Investment Board
10/10

	March	April	Theme
National Housing Trust	🟩	🟩	CC
10,000 Homes	🟧	🟧	CC
21st Century Homes	🟩	🟩	CC
St James - GAM	🟥	🟥	CC
Meadowbank Redevelopment	🟧	🟧	CC
Tram Extension	🟧	🟧	CC
Fountainbridge	🟧	🟧	CC
Granton Waterfront	🟧	🟧	CC
SE Scot City Regional Deal	🟩	🟩	CC
CCT – George Street	🟩	🟩	CC

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

Portfolio Update: Projects Reporting AMBER in April

| **24** Projects reporting as AMBER | **3** Delivery directly impacted due to COVID-19, **however mitigations underway** | **8** Complexity of delivery and/or resource capacity, **status reviewed, mitigations outlined** | **13** Construction works delayed due to COVID-19, **work to assess & re baseline where appropriate** |

3 Delivery directly impacted due to COVID-19, **however mitigations underway**

1. Travel Demand and Logistics
2. LAAC File Review
3. Fleet Services

8 Complexity of delivery and/or resource capacity, **status reviewed, mitigations outlined**

1. Tram to Newhaven
2. Library Service Review
3. Customer Digital Enablement
4. Enterprise Resource Planning
5. Business Intelligence
6. Communal Bin Review
7. Housing Service Improvement
8. Building Standards and Planning

13 Construction works delayed due to COVID-19, **work to assess & re baseline where appropriate**

1. Early Years Programme
2. New Queensferry HS
3. New St Crispin's SS
4. New Broomhill's PS
5. New Victoria PS
6. New South Edinburgh PS
7. New Craigmillar High School
8. Bangholm Sports Centre
9. Asset Management Works
10. 10,000 affordable homes
11. Meadowbank Redevelopment
12. Fountainbridge
13. Granton Waterfront Regeneration

The following projects are reporting a AMBER status. Actions to mitigate the impact are proposed below:

Ref.	Project	Date First reported Amber	SRO	Description of Amber status	Mitigating Actions Underway
0.1	**Travel Demand and Logistics**	Amber throughout 2020/2021 due to COVID-19	Crawford McGhie	• COVID-19 crisis response has resulted in an increase in Transport costs due to social distancing measures and need for more transport. • If Technology is not invested in then there is a risk that costs will continue to escalate and we will provide an inferior service due to outdated procedures and policies.	• Project team to investigate previous cost and current costs to provide a more detailed analysis of the impact COVID-19 and its continuing potential impact. • Workshop scheduled for April to examine the IT requirements and provide options. • Budget Investment and spend to save options are being explored.
0.2	**LAAC File Review**	February 2021 down from RED	Jackie Irvine	• Due to the pandemic restrictions the team had to start working from home. They were able to continue to review the electronic files however an office base is required for paper file review to continue. • Recruitment challenges have also meant the team were not at full capacity.	• Review of a suitable office base was undertaken and space was found at Wester Hailes Healthy Living Centre and the team returned to working partial weeks in the office on a rotational basis. • Recruitment to the empty posts has been undertaken with the team now back up to the funded resource allocated. Progress should begin to resume.
0.3	**Fleet Review**	Amber throughout 2020/2021 due to COVID-19	Gareth Barwell	• COVID - 19 has brought multiple disruptions to the project: delay in procurement, manufacture, delay in installation of telematics and electric charge points.	• Delivery has been taken of the new Gully Tanker and Line marking fleet. • Tender is being scored for Parks and Greenspace vehicles and outlined schedule in place for Winter maintenance tipper/ gritters to go out for tender.

Complexity of delivery and/or resource capacity, **reviewing status**, **some mitigations (8)**

The following projects are reporting a AMBER status. Actions to mitigate the impact are proposed below:

Ref.	Project	Date First reported Amber	SRO	Description of Amber status	Mitigating Actions
0.1	**Tram to Newhaven**	March 2021 moved from Green	Hannah Ross	• Design close out continues as a pressure.	• Good progress made on the close out of design but focus still required to complete the current stage by the end of June.
0.2	**Communal Bin Review**	Amber throughout 2020/2021	Andy Williams	• Although COVID-19 has impacted on the overall project timeline, the roll out will still be carried out in phases so this can be re-programmed. • Project costs have risen however with a full update report to Transport and Environment committee on 22 April 2021.	• Procurement exercise for bins has been completed and the project budget requirements have been adjusted accordingly. • Initial routing work to support forecast the operational budget has been completed. • Funding application – note of interest to Zero Waste Scotland to be submitted by mid May 2021 to apply for the additional funding required. Outcome known July 2021.
0.3	**Housing Service Improvement**	Amber throughout 2020/2021	Michael Thain	• Digital improvements are vital to service improvement. Capacity issues and competing system requirements are causing delays and barriers to delivery. • Impact of Covid-19 presents challenges to budget monitoring.	• Housing/ ICT Operational Working Group established; Roadmap to be developed. Business Case approved for an ICT Lead for foxed term basis. • Weekly finance meetings to progress short-term saving action plan. Work ongoing to assess impact of unforeseen Covid-19 expenditure with impacts to be built into HRA Business Plan Review process.
0.4	**Building Standards and Planning**	Amber throughout 2020/2021	Michael Thain	• Due to COVID-19 the processes which the project developed have not had time to embed within the service due to the move to homeworking.	• A continuous programme will remain in place including self-assessment and quality assurance processes and will be reviewed as part of any future of working arrangements.

7

Complexity of delivery and/or resource capacity, **status reviewed, some mitigations (8)**

The following projects are reporting a AMBER status. Actions to mitigate or eliminate the impact are proposed below.

Ref.	Project	Date First reported Amber	SRO	Description of Amber status	Mitigating Actions
0.5	**Customer Digital Enablement**	Amber throughout 2020/2021	Nicola Harvey	• Phase 1 has now been successfully delivered and the programme is now in delivery for phase 2. • Resources within the project team are limited maintaining BAU on the platform as well as planning phase 2, therefore it remains right to categorise this programme as amber until the programme has delivered . • The Phase 2 work is underway which will drive additional benefit and there is good governance around this.	• Discussion underway on how best to provide additional resource and greater resilience to the Verint platform. • Key is to ensure we can manage existing transactions and progress project work to drive additional benefit using in house resource where ever possible while delivering at pace.
0.6	**Enterprise Resource Planning**	Amber throughout 2020/2021	Stephen Moir	• Resource pressures, at various stages of the delivery phase of the programme however no slippage due to resourcing risk to date. • Timely delivery of complex change requests from CGI. • SIT (System Integration Testing slippage for a number of reasons, bug fixes, CEMLIS and script queries which need to be resolved before progress can be made.	• Activities and pinch points in plan being highlighted as green, amber or red. No red currently highlighted but Amber in areas such as User Acceptance Testing (UAT) which are being managed. • Escalation through the formal change request escalation route. • SIT 'go to green plan' being developed currently to mitigate impact on overall plan and ensure a quality product is released that de-risks the UAT phase.
0.7	**Business Intelligence**	Amber throughout 2020/2021	Nicola Harvey	• Routesmart V 1 and V2 dashboards are now in live environment • Confirm dashboard is good to move into live • Technical issues with accessing all the data and data quality issues all being worked through. • Extended User Acceptance Testing (UAT) time and resources required to investigate and resolve complex faults. Significant data quality issues with the source data	• Discussions with the Third Party supplier have taken place and a technical fix has been implemented. However this has impacted overall project timescales. • UAT is now completed but the delay has impacted the project timescales. • The service has put in place an action plan and resources to address data quality issues. Additional operational acceptance testing is in place to ensure issues are resolved.
0.8	**Library Service Review**	February 2021 (new project)	Gareth Barwell	• The impact of Covid-19 has led many local authorities to re-examine the purpose of libraries with many looking to move towards a more focused "core offering." New project which has joined the portfolio with approved savings delivery through the budget process.	• Early stages of project delivery with an analysis underway of future service requirements. • Service resumption includes the phased re-opening of libraries with some in use at Community Testing Centres.

The following projects are reporting a AMBER status. Actions to mitigate or eliminate the impact are proposed below.

Ref.	Project	Date First reported Amber	SRO	Description	Mitigating Actions
0.1	**Early Years Programme**	February 2021	Lorna French (Lynn Paterson, Robbie Crockatt)	• Delivery of new infrastructure delayed due to Covid-19 delays and impact, including contractor liquidation and significant increase in costs to appoint alternative contractor to completion.	• Procurement and Legal advising way forward following contractor liquidation, new procurement process in place. • Budget shortfall to be addressed using underspend in revenue funding received as part of Scottish Government Early Years Grant. The use of this revenue funding for this purpose has been approved by Council's Finance Team and by Scottish Government. • F&R report for new approvals submitted for Committee on 20 May.
0.2	**New South Queensferry High School**	Amber throughout 2020/2021	Crawford McGhie	• Ground contamination has been discovered under the footprint of the former school (now demolished) which is impacting on the Phase 2 Programme.	• Remediation works have been completed and verified by CEC's Contamination Land Officer. • Awaiting confirmation of cost from contractor.
0.3	**New St Crispin's SS**	Amber throughout 2020/2021	Crawford McGhie	• Delivery of new infrastructure delayed due to Covid-19 delays and earthwork issues.	• Detailed work ongoing with school to facilitate summer move into the new building.
0.4	**New Broomhill's PS (Frogston)**	Amber throughout 2020/2021	Crawford McGhie	• Delivery of new infrastructure delayed due to Covid-19 delays and impact, site 13 weeks behind schedule.	• New delivery date is currently under review with evidence from the contractor. • School and wider community being kept informed and involved in relation to options for move into the new facility when its available.

Construction works delayed due to COVID-19, **work to assess & re baseline (13)**

The following projects are reporting a AMBER status. Actions to mitigate or eliminate the impact are proposed below.

Ref.	Project	Date First reported Amber	SRO	Description	Mitigating Actions
0.5	**New Victoria PS**	Amber throughout 2020/2021	Crawford McGhie	• Delivery of new infrastructure delayed due to Covid-19 delays and impact.	• The budget has been uplifted by 5% to reflect delays. • School and wider community being kept informed and involved in relation to options for move into the new facility when its available.
0.6	**New South Edinburgh PS**	Amber throughout 2020/2021	Crawford McGhie	• Delivery of new infrastructure delayed due to Covid-19 delays and impact. • Unexpected ground conditions caused further delays with excavations and subsequent additional upfill required.	• Contactor has confirmed ground works are now complete and are currently evaluating the programme to completion to give revised date. • The budget has been uplifted by 5% to reflect delays. • School and wider community being kept informed and involved in relation to options for move into the new facility when its available.
0.7	**New Craigmillar High School**	Amber throughout 2020/2021	Crawford McGhie	• Delivery of new infrastructure delayed due to Covid-19 delays and impact.	• The budget has been uplifted by 5% to reflect delays, however discussions ongoing regarding the demolition of the existing building not currently in scope.
0.8	**Bangholm Sports Centre, Trinity Academy**	Amber throughout 2020/2021	Crawford McGhie	• Delivery of new infrastructure delayed due to Covid-19 delays and impact.	• School and wider community being kept informed and involved in relation to options for move into the new facility when its available.

Construction works delayed due to COVID-19, **work to assess & re baseline (13)**

The following projects are reporting a AMBER status. Actions to mitigate or eliminate the impact are proposed below.

Ref.	Project	Date First reported Amber	SRO	Description	Mitigating Actions
0.9	**Asset Management Works**	Amber throughout 2020/2021	Peter Watton	• Works (including works delivery and procurement) delayed due to Covid-19 and has impacted the 20/21 Programme.	• Re-prioritisation/rephasing of works for years 4 and 5 of programme. • Capital Budget Strategy 2020 -2030 has been approved to increase funding from 2022/23.
1.0	**10,000 affordable homes**	Amber throughout 2020/2021	Michael Thain	• COVID-19 impacts: Building sites remain open, some delays on site starts, site progress times and completions as work is taking longer with social distancing and reduced availability of staff and building supplies.	• Construction activity progresses at a steady pace. Work continues to assess and mitigate the impact of COVID- 19. • All opportunities and methods continue being explored to deliver the programme including the consideration of site acquisitions and off-the-shelf purchases from developers.
1.1	**Meadowbank Redevelopment**	Amber throughout 2020/2021	David Cooper	• Meadowbank Sports Centre: Construction is progressing and various elements of the build are progressing in line with the programme. The contractor is experiencing difficulties in getting labour to the site, if the problem persists and it is likely the contractor will be submitting an Extension of Time request.	• Budget funding package adjusted by Finance to fund COVID-19 and other increases. • The current completion date is July 2021 for the Sports Centre.
1.2	**Fountainbridge**	Amber throughout 2020/2021	Sat Patel	• An extension of time was sought from the DM Sub-Committee to allow an agreement on developer contributions to be signed'	• The project team has been chasing this issue and the agreement is now signed and we are awaiting the issue of the relevant planning permissions.
1.3	**Granton Waterfront Regeneration**	Amber throughout 2020/2021	David Cooper	• Outline Business Case on target to be presented to committee in Autumn seeking approval to move into full business case development for phase 1. Funding requirement for delivery of the regeneration remains challenging and the team is currently formulating a funding strategy for phase 1.	• Council team assembled and working to deliver outline business case and early action projects. • Discussions taking place at officer and political level with Scottish and UK Governments regarding potential funding opportunities.