Governance, Risk and Best Value Committee

10.00am, Tuesday, 21 September 2021

Change Portfolio

Executive/routine	**Executive**
Wards	**All**
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.

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Report

Change Portfolio

2. Executive Summary

2.1 The Change Board is a specific monthly meeting of the Corporate Leadership Team (CLT). It 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 Appendix 1 contains:

- the dashboard with the status of projects within the portfolio as at the end of August 2021; and,
- those projects which are currently assessed as red and their supporting narrative with remedial action.

3. Background

3.1 CLT has continued the monthly monitoring of the overall shape and size of the change portfolio and the associated risks and issues. This includes managing resource allocation; tracking programme delivery and risks and ensuring that programme benefits are delivered.

3.2 The Strategic Change and Delivery team has also been supporting the Adaptation and Renewal programme, which the Change Portfolio is now aligned with. Further work will be progressed to ensure alignment of the portfolio to key Council Business Plan deliverables and the restructured Directorates when appropriate to do so.

4. Main report

Change Portfolio Progress Update

4.1 Currently there are 41 active projects split across the Adaptation and Renewal working groups and the Strategic Development and Investment Group which are reported into the Change Portfolio.

4.2 Appendix 1 shows the status of each of these programmes which are reported to the Change Board on a monthly basis via a dashboard reporting format. The format covers project overview, key risks, assumptions, issues and dependencies and flags resourcing gaps.

4.3 Since reporting in March 2021, four projects have joined the Portfolio these are as follows:

- Homelessness Programme;
- 20-Minute Neighbourhoods;
- Empowered Learning; and,
- Bio Quarter

4.4 These projects all have strong links and outcomes connected to the Council Business Plan and have been scored appropriately using the agreed matrix.

4.5 Each month the red status projects are discussed by change board, and supporting documentation is brought forward for approval, such as business cases or close reports.

4.6 Appendix 1 further details the 2 out of 41 projects which have been reported as red this month with mitigating actions described. There are the North Bridge Refurbishment and the Library Service Review project.

Deep Dive: Enterprise Resource Planning Programme

4.7 As agreed in the last reporting cycle, a deep dive project has been selected for further discussion. While this project was at Red status in July, during this reporting period in August the programme has moved to Amber.

Background

4.8 The Enterprise Resource Planning (ERP) Programme is delivering significant upgrades and enhancements to the Council's Oracle Financial, Procurement and Banking and Payments systems. In addition, Sundry Debt Management will also migrate to Oracle from the platform which is now reaching end of life. There have also been earlier upgrades and improvements made to the Council's HR and Payroll system under the auspices of this programme.

4.9 There are a number of benefits to be delivered by this programme, including:

4.9.1 a scalable solution that integrates and rationalises the number of IT solutions currently supported. This includes reducing costs along with providing a modern, scalable infrastructure that will be more cost effective

4.9.2 enhancements to auditability of transactions, and

4.9.3 opening up further channels for customers to engage electronically, e.g. setting up direct debits for chargeable services.

4.10 The programme is in full delivery and activities are progressing to plan with an anticipated 'Go Live' scheduled for late January 2022 for the main Financial, Procurement and Banking and Payments upgrades. This will then be followed, later in the year, by the new Sundry Debt Management solution. As with any complex technology related change programme, there are a number of assumptions and risks associated with completing the delivery according to plan, including the successful conclusion of user acceptance testing (UAT) with sufficient rigour.

"Deep Dive" Elements:

Plan

4.11 Delivery is tracked against key contractual milestones, in detailed plans. These milestones act as key gateways that delivery is tracked against. Relevant payments to the appointed integration partner, Claremont, are only released when all obligations/deliverables associated with a milestone are complete and evidence satisfactory to the Council has been provided. A formal 'acceptance certificate' is agreed between the 3rd party supplier Claremont and the Council as an auditable record of milestone completion.

4.12 The Programme Board approves all changes to the programme plan and all supporting plans are updated in line with the programme plan, i.e. workstream, change, communications and training plans.

Quality

4.13 Product Specifications for systems design are agreed (DS.140) and solutions are built in line with these specifications. A full review of build against the main Oracle Financial, Procurement and Banking, and Payment components was conducted at the end of July 2021. Exceptions were also agreed with a plan for delivery of these with workstream owners and dates assigned. All activities are tracking to plan.

4.14 Detailed system design specifications (technical and operational) for feeder systems have been prepared and approved by system users.

4.15 System integration testing is underway for the main financial, procurement and banking and payment areas with a script pass rate of 87% in cycle 1. This proves strong evidence for system component integration working effectively.

4.16 A low volume of outstanding issues at this stage remain, i.e. 40 remain out of a total of over 400 raised during build activities.

Programme Budget

4.17 The ERP Programme has seen the Council commit to a major upgrade and replacement of its key financial and procurement systems. As highlighted, there is rigour and scrutiny applied to all costs associated with delivery to ensure that the solution delivers within budget and provides value for money. This includes a

financial tracker, reported upon at every meeting of the programme board. The programme is delivering within budget and all known forecast costs have been captured and as far as possible budgeted for.

Programme Governance and Structure

4.18 Strong governance arrangements are in place to ensure ongoing oversight, direction and decision making is applied in an efficient and effective manner. Programme reporting and oversight occurs at multiple levels:

4.18.1 CLT Change Board – ERP provides status update on delivery progress on a monthly basis for oversight and where decision making is required.

4.18.2 ERP Programme Board – meets fortnightly to provide direction and decision making along with support to the Programme team. All programme board meetings are fully recorded by the Programme Management Office and programme packs are issued in advance of each meeting to Board members.

4.18.3 Programme Team Meetings:

4.18.3.1 (i) internal CEC project meetings twice weekly, led by the Programme Manager to track day to day delivery activities with all project/workstream leads

4.18.3.2 (ii) weekly meeting with Council Programme Team members and 3rd party supplier.

4.18.4 Programme Financial Tracking – weekly meetings to ensure scrutiny and tracking of the Programme Budget.

4.18.5 Partner and Supplier Meeting – weekly meetings led by the Service Director for Customer and Digital Services. Membership of this group includes Senior Management from key partners (CGI and Claremont), the Chief Digital Officer, Senior Digital Services Manager (Commercial) and the Programme Manager. The group focus on any escalations or issues arising to ensure they are addressed promptly to mitigate impact on delivery timescales, costs, or quality of the solution.

Roles and Responsibilities

4.19 Clear roles and responsibilities have been defined, assigned and agreed for each programme team member.

Policies and Procedures

4.20 The programme organisation follows the Managing Successful Programmes methodology. Programme Team Members, including partners/suppliers of services adhere to all applicable policies and procedures including information governance guidance in relation to data protection. Privacy Impact Assessments (PIAs) have been performed by the Information Governance Unit to confirm that sensitive data is adequately protected from both internal and external threats. The technical delivery elements follow the procedures in place for requesting ICT changes.

Programme Standards

4.21 All programme standards are fully aligned to Managing Successful Programmes (MSP) and Prince2 delivery methodologies.

4.22 The status/highlight reporting is provided fortnightly for the Programme Board and monthly for the CLT Change Board. Additionally, each week a summary of progress is prepared by the Programme Manager and provided to the ERP Programme Senior Responsible Officer (SRO), the Executive Director of Corporate Services.

4.23 A Risks, Assumptions, Issues, Dependencies (RAID) register is reviewed fortnightly and where issues are identified these are actively managed to a resolution. The Programme is in migration to adopt the Council's new operational risk management framework and risk appetite approach.

Change Management, Communications and Training

4.24 The programme's Change Impact Assessment (CIA) templates have been produced. Now the programme has progressed sufficiently through delivery, workstream leads are populating these to detail the changes associated with system upgrade and replacement activities. This includes the impact of the changes and activities that need to be planned to ensure stakeholders are aware of and prepared for the change.

4.25 To facilitate change activities, work is also accelerating on the development of the Communications Strategy and Plan. Key stakeholder groups have been identified and communication materials will be developed in line with audience requirements.

4.26 A training plan has been developed and training materials are being prepared. The training approach has assumed there will be no face to face training due to COVID-19 and will therefore take the format of virtual and online training. Furthermore, the training format will take a blended approach where required, i.e. where training is not only required in system changes but also any associated process change. Dedicated programme training resource has been established. The key focus is to ensure the change activities make the transition and adoption of the new systems and any associated process changes as seamless as possible for end users within the Council.

Programme Assurance

4.27 An agile audit, led by Internal Audit, has been and continues to provide independent assurance of how well the programme is organised and delivered. The assurance ratings provided by Internal Audit continue to be reported to the Programme Board, which the Head of Audit and Risk attends, and remain at a Green RAG status

5. Next Steps

5.1 This report be brought before the GRBV Committee again in six months. By this time the portfolio will have been fully aligned with the Business Plan and the Planning and Performance Framework.

5.2 Another deep dive on a specific project will be brought to the Committee for consideration as occurred in previous reporting cycles.

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 Change Portfolio Report May 2021 - Amber Status Programmes and Projects

9. Appendices

9.1 Appendix 1 – Dashboard Programme and Project Status to the end of August 2021

Governance, Risk and Best Value Committee
Appendix 1

Change Portfolio August 2021

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Portfolio Update: Dashboard – August 2021

41/41 Projects

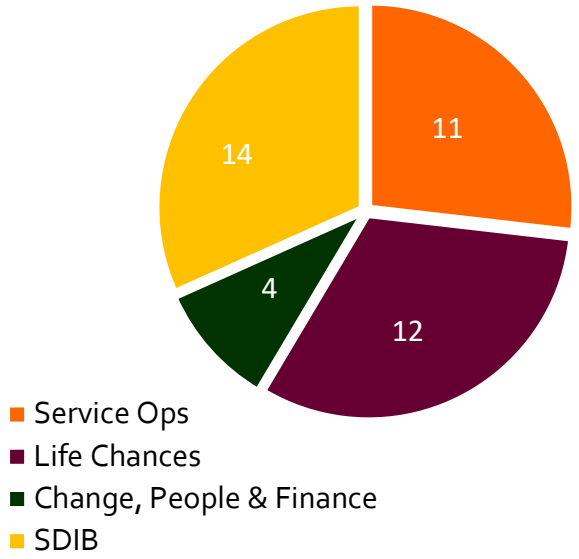
14/14 Strategic Development Investment Board

11/11 Service Operations

12/12 Life Chances

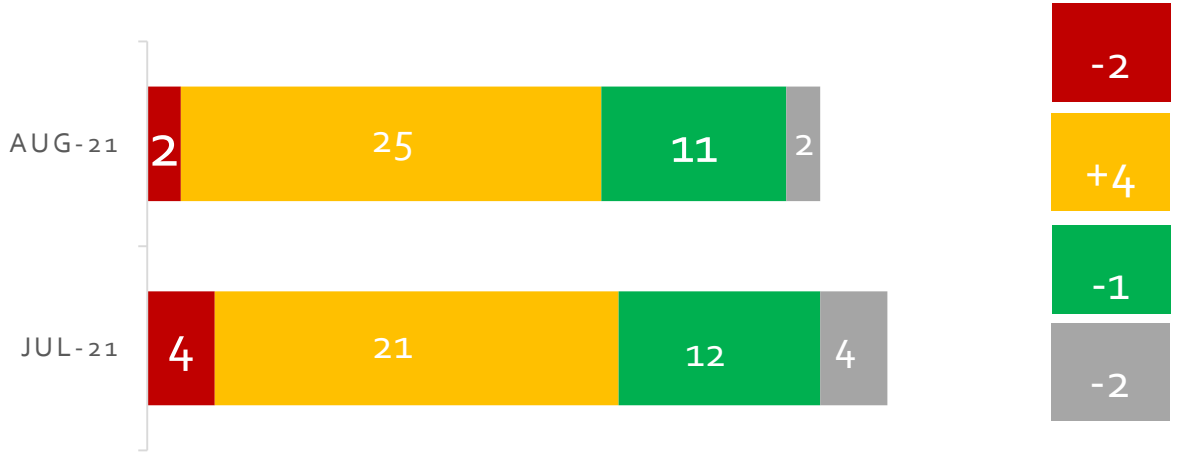
4/4 Change, People and Finance

PROJECTS BY A&R WORKSTREAM



- 2 Projects have moved from **RED** to **AMBER** this month.
- 3 Projects are moving to close or are now closed with reports underway.

PROJECT RAG STATUS



PROJECTS REPORTING RED	UPDATE
North Bridge	*Cost to deliver the programme of works are continuing to escalate. Briefing for Members underway.*
Libraries Review	*Update report presented to CLT 21/06, actions underway to understand staffing review and collate business case for IT requirements. Library review now paused.*

Portfolio Update: Dashboard - August 2021

Change, People and Finance 4/4

	July	Aug	Theme
Customer Digital Enablement			TRM
ERP			TRM
Business Intelligence			ES
Digital Service Partnership Savings			TRM

TRM – Transformation/Change
ES – Efficiencies Savings
MAN- Mandatory/Risk
CC – Council Commitments
SIP - Service Improvement Project

Life Chances 12/12

	July	Aug	Theme
Early Year Programme			CC
LAAC File Review			
Homelessness Programme			
Empowered Learning			
New Queensferry HS			CC
New St Crispin's SS	NIL		CC
New Broomhills PS			CC
New Victoria PS			CC
New South Edinburgh PS			CC
New Craigmillar High School	NIL		CC
Replacement Currie High School			CC
Bangholm Sports Centre, Trinity Academy	NIL		CC

Service Operations 11/11

	July	Aug	Theme
Planning Service Review			TRM
Communal Bin Review			TRM
Housing Service Improvement Project			TRM
Depots and Yards			TRM
Edinburgh Leisure			SIP
Street Lighting (EESLP)			CC
North Bridge Refurbishment			MAN
Travel Demand & Logistics			ES
Cultural Services Review			ES
Libraries Service			TRM
Fleet Services			TRM

Strategic Development Investment Board (SBID) 14/14

	July	Aug	Theme
National Housing Trust			CC
10,000 Homes			CC
21st Century Homes			CC
St James Quarter - GAM			CC
Meadowbank Redevelopment			CC
Tram Extension			CC
Fountainbridge			CC
Granton Waterfront			CC
SE Scot City Regional Deal			CC
CCT – George Street			CC
EICC Hotel			CC
Bio Quarter			CC
20 Minute Neighbourhood			TRM
Asset Condition		T	MAN

*These projects are currently in transition to the restructured Place Directorate, once the Adaptation and Renewal Programme closes the portfolio will be realigned to the new Directorate structure.

Portfolio Update: Projects Reporting RED in August

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

Project	Date First reported Red	Senior Responsible Officer (SRO)	Description	Mitigating Actions
Libraries Service Review	May 2021	Gareth Barwell (New Service Director for Culture and Wellbeing will assume responsibility once in post)	Project remains at Red this month: The Libraries Service will move to the Place Directorate under the Service Director: Culture and Wellbeing and a new Head of Service. The organisational review will follow once the appointment has been taken up. IT investment requirements have also been identified since the inception of the project and this needs a full analysis by the project team and funding source to be identified.	• Business cases for both the IT infrastructure and the Mobile Library fleet are underway with full options and cost appraisal. These will be considered by CLT and ready for consideration by the new post holder over the next few months. • Timeline reset can then be agreed by the Project Board and the status moved.
North Bridge Refurbishment	April 2021	Gareth Barwell	Project remains at Red this month: The phased re-start and COVID-19 measures along with significant additional repairs and traffic management requirements, continue to bring pressure to bear on the budget and programme. These have and continue to be assessed via the contract mechanisms, as we continue to seek to mitigate cost and programme impacts.	• An application has been made to the Scottish Government Local Bridge Maintenance Fund, closing date 16 July 2021. • B Agenda report will be provided to Finance and Resources Committee on 7 October 2021, as the final financial information is commercially sensitive • Further information will be provided to the GRBV Committee once the Finance and Resources Committee report has been discussed.