

# Finance & Resources Committee

10am Thursday 29 September 2016

## Governance of Major Projects: progress report

Item number	7.3
Report number	
Executive/routine	
Wards	All

### Executive summary

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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 assurance reviews.

### Links

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Coalition pledges	<a href="#">P03, P20, P23, P27, P28, P36, P41, P44, P47, P49, P51, P53</a>
Council outcomes	<a href="#">C01, C02, CO25, CO26</a>
Single Outcome Agreement	All

## Governance of Major Projects: progress report

### Recommendations

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- 1.1. It is recommended that Committee notes:
  - 1.1.1 the current synopsis of the dashboard reports for the major projects portfolio set out in appendix 1;
  - 1.1.2 the completed Assurance Review St James Quarter assurance review set out in 2.6; and
  - 1.1.3 a close report has been received and Health and Social Care Integration has now been removed from the portfolio.

### Background

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- 2.1 On 7 August 2012 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 May 2016, the Corporate Programme Office (CPO) function was transferred to the Transformation Team (Portfolio and Governance) in the newly created Strategy & Insight Division.

### Main report

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#### Current Reporting Arrangements

- 3.1 Project Managers of each of the major projects are required to complete bi-monthly dashboard reports for each project. These reports seek to establish how key elements 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 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.

#### Assurance Reviews

- 3.4 An assurance review on Edinburgh St James, Quarter has been undertaken, this was in advance of the departure of the SRO at the end of June and an Amber Rating assigned. This status should be reviewed in light of the reliance on an

SRO contractor who was scheduled to imminently stop working with the Council. The Executive Director of Place, with legal and financial support, will provide continuity and co-ordination attending fortnightly meetings in the interim.

- 3.5 An Assurance Review has recently been undertaken on the ERP Project by a cross cutting Team from Transformation, PWC, Internal Audit and Finance. This project will deliver an integrated Finance, Procurement, Accounts Payable, Accounts Receivable, HR and Payroll solution to replace the existing Oracle, iTrent and PPSL systems. The outcome of the review will be reported to Committee in the next Governance of Major Projects report.

### **Composition of the Portfolio**

- 3.6 New St John's RC Primary, Queensferry High School and Meadowbank Redevelopment are all reporting in the portfolio for the first time. Communities and Families will provide reports on Early Learning & Childcare and Rising School Rolls from the next reporting cycle.
- 3.7 Discussions with are ongoing with Senior Management around identifying new projects which would merit inclusion in the portfolio and these will be added in due course.
- 3.8 A Project Close report for Health and Social Care Integration has been received and it recommended that this is now removed from the major projects portfolio.

### **Major Projects Delivery Unit**

- 3.9 Delivery of major capital projects is critical to support the Council to continue to achieve outcomes for citizens and communities. At present a number of major projects depend on external expertise or consultancy support to assure that each is delivered to a high standard, on time and within capital budgets.
- 3.10 As the Council continues to transform and develop a future focused skills mix, the major projects area has been identified as an area for the introduction of a new delivery model and unit. An outline business case is currently being prepared for consideration and an update on the new arrangements will be provided in the next report.
- 3.11 This new delivery model and unit will propose a best practice portfolio approach to the management, delivery and governance of change initiatives across the Council. Portfolio Management realises that delivery is only half the battle. Just as important is whether or not the programmes and projects being delivered are the 'right' ones and whether the return on investment and contribution to strategic objectives are delivered. Portfolio Management can help with this by ensuring that:

- programmes and projects undertaken are prioritised in terms of their contribution to the organisations strategic objectives and overall level of risk;
- the portfolio of change initiatives is collectively sufficient to achieve the desired contribution to strategic objectives;
- programmes and projects are managed consistently to ensure efficient and effective delivery; and
- benefits realisation is maximised to provide the greatest return (in terms of strategic contribution and efficiency savings) from the investment made.

### **Transformation and Business Change Support**

3.12 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**

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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**

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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**

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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**

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

## Sustainability impact

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- 8.1 Each project within the major projects portfolio is responsible for undertaking its own sustainability impact assessment.

## Consultation and engagement

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- 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

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

[Governance of Major Projects](#)- Finance and Resources Committee, 9 June 2016

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<b>Coalition pledges</b>	<p><b>P03</b> - Rebuild Portobello High School and continue progress on all other planned school developments, while providing adequate investment in the fabric of all schools</p> <p><b>P20</b> - Work with the Scottish Government to deliver a larger return of business rate receipts as part of the Business Rates Incentivisation Scheme (BRIS)</p> <p><b>P23</b> - Identify unused Council premises to offer on short low-cost lets to small businesses, community groups and other interested parties</p> <p><b>P27</b> - Seek to work in full partnership with Council staff and their representatives</p> <p><b>P28</b> - Further strengthen our links with the business community by developing and implementing strategies to promote and protect the economic well being of the city</p> <p><b>P36</b> - Develop improved partnership working across the Capital and with the voluntary sector to build on the “Total Craigroyston” model</p> <p><b>P41</b> - Take firm action to resolve issues surrounding the Council’s property services</p> <p><b>P44</b> - Prioritise keeping our streets clean and attractive</p> <p><b>P47</b> - Set up a city-wide Transport Forum of experts and citizens to consider our modern transport needs</p> <p><b>P49</b> - Continue to increase recycling levels across the city and reducing the proportion of waste going to landfill</p> <p><b>P51</b> - Investigate the possible introduction of low emission zones</p> <p><b>P53</b> - Encourage the development of Community Energy Co-operatives</p>
<b>Council outcomes</b>	<p><b>C01</b> - Our children have the best start in life, are able to make and sustain relationships and are ready to succeed.</p> <p><b>C02</b> - Our children and young people are successful learners, confident individuals and responsible citizens making a positive contribution to their communities.</p> <p><b>CO25</b> – The Council has efficient and effective services that deliver on its objectives.</p> <p><b>CO26</b> – The Council engages with its stakeholders and works in partnership to improve services and deliver on agreed objectives</p>
<b>Single Outcome Agreement</b>	All
<b>Appendices</b>	Appendix 1 - Overview of major projects portfolio – as at 01 Aug 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 –Installation works are continuing and are now over 60% complete in the City Centre. Over the coming weeks Intechology will be powering up the buildings which will provide the live network and will test performance and tweak as required during the phased rollout. Any remaining assets will be installed after the summer festival period is over. Work will also continue with partners to promote the network and a successful ETAG breakfast briefing was held on 21<sup>st</sup> July with approximately 60 businesses from the tourism sector attending.</p> <p>Public Buildings Wi-Fi – 66 buildings are now live with 1 building still to be connected.</p> <p>Rest of Scotland roll out – Roll out in Edinburgh is currently underway with significant activity expected over the next 6 months. Work is starting with Digital Scotland to stimulate demand in those areas where cabinets are now live and will be liaising with the relevant Neighbourhood Partnerships and Community Councils.</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>CityFibre – this work stream is now being reported under the WAN project in the ICT</p>	<p>Project now closed from a BDUK perspective.</p> <p>Wireless concession now proceeding to roll out. .</p>	Spend within budget.	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>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

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		transformation programme					
MP8	James Gillespie's Campus	<p>The teaching block was completed in April 2015 and is already occupied by the school. Bruntsfield House summer 2015 works were completed within programme.</p> <p>The Sports and Performance Blocks were due to have been completed on 15 July 2016 however this was not achieved as there were a range of works which remained outstanding and required to be completed before Practical Completion could be confirmed (by the independent tester) and the buildings certified for occupation by building control. The Practical Completion Certificate was expected to be issued by early August and the necessary work to decant into the building is still being progressed.</p> <p>Phase 3 works (externals) have commenced and are due for completion in advance of the start of the school term.</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.	<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 and all costs are expected to be within the expected limit.</p> <p>No additional costs expected for Phase 3.</p>	<p>Works and 12 month defect period now concluded for the Design and Build Contract.</p> <p>Lessons Learned exercise undertaken with the contractor and representatives from the School and Council.</p>		Risk : Green
MP10	National Housing Trust	<p>The National Housing Trust (NHT) is a national funding mechanism for the delivery of mid market rent affordable housing funded by local authority on-lending and backed by Scottish Government guarantees.</p> <p>NHT Phase 2B – Under construction</p> <p>Three settlements have successfully taken place at Sandpiper Road for 38 homes which are all tenanted. In total, 96 homes are due to</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

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		<p>complete in 6 phases before the longstop date of 31 December 2016.</p> <p>NHT Phase 3 – On site / site commencement expected shortly</p> <p>All NHT Phase 3 projects are now in contract and either on site or about to commence construction. for three projects which will deliver up to 368 new affordable homes.</p> <p>Signing of the final NHT Phase 3 contracts (Shrubhill) took place on the 20th June 2016. Places for People reduced the number of units to be included in the Shrubhill NHT project from 167 units to 150 units.</p> <p>NHT Phase 1 – Completed</p> <p>All 422 homes are completed and tenanted.</p>					
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>Greendykes G: Planning application for 75 homes submitted in June. Following planning consent, tenders will be invited to deliver the development.</p> <p>West Pilton Crescent: development complete and all properties let. Final homes handed over</p>	<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.</p>	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>Pennywell won the City Regeneration of the Year award at the Scottish</p>	<p>Community Benefits including employment and training opportunities.</p> <p>Increasing affordable housing supply across the city.</p> <p>Providing support to the</p>	Risk: Green

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		<p>on 20 October 2014. All properties have been let.</p> <p>Pennywell: works started on phase 1 (108 Council and 85 Private homes) on 23 June 2014. Handover of the first Council homes has taken place. Enabling works have commenced on Phase 2 which will see 75 Council and 102 Private homes delivered.</p> <p>North Sighthill: Keepmoat Scotland Ltd were appointed preferred bidder by Finance &amp; Resources Committee in Jun 2016 to deliver the development. Design work is underway and a site start expected in early 2017.</p> <p>Leith Fort: Works completion anticipated in mid 2017 and will deliver 32 Council and 62 RSL homes.</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>			Property Awards in March 2016, and the RICS award for Regeneration in April. The project was a finalist in the Scottish Home Awards Affordable Housing Development of the Year.	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</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	A total of 33 change orders requests have been raised to date, 27 change order requests have been authorised. Three change orders require	<p>A Clerk of Works is being employed to ensure the works are undertaken to the expected quality standard.</p> <p>A Technical Advisor is employed to carry out further inspections and to ensure the</p>		Risk: Green  Project disciplines in place to deliver to the revised

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		<p>completion date.</p> <p>Weekly review of actual progress against the planned programme is ongoing for monitoring purposes with monthly principals meetings being held between the SRO and senior management of the contractor.</p> <p>The concrete pours to all levels are now complete. M&amp;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>relating to the revised completion date for which a detailed programme to 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>to be returned by the contractor with the cost and programme implications. The estimated order of cost remains within the client contingency retained in the project budget.</p>	<p>main contractor undertakes all quality inspection and completes all the necessary quality documentation.</p> <p>Lessons Learned exercise undertaken with the contractor and representatives from the School and Council.</p>		<p>schedule</p>

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
MP13	New Portobello High School	<p>In the previous report to CLT it had been acknowledged that BB would be unable to meet the contract completion date of 15 July 2016 due to delay in receipt of an approved drainage connection proposal by Scottish Water. Agreement has since been reached to deliver a temporary solution that will allow BB to establish a deliverable programme that will enable the school to open after the October 2016 break with a revised contract completion date of 10 October 2016. A 'Decant' working group is progressing activities to ensure successful transfer and operation of the school from this date.</p> <p>The fabric and structure of the building and landscaping is almost complete with only minor elements still to be completed. Permanent connections for gas, water and electricity are now in place.</p> <p>The status has been reset at green due to the revised programme and the positive progress towards meeting the revised completion date.</p>	Since the previous report to CLT, BB has secured the necessary temporary and permanent drainage connections with Scottish Water which allows BB to take control over the remaining elements of the programme and agree a contract completion date of 10 October 2016.	The forecast costs to completion are within the project budget	<p>Regular inspections are undertaken to ensure that the appropriate standard is being maintained.</p> <p>Lessons Learned exercise undertaken with the contractor and representatives from the School and Council.</p>	BB have made further progress in the delivery of the targets 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>Risk: Green</p> <p>Status has been set at Green due to issues outwith the control of BB being resolved and progress being made to deliver all remaining outstanding works by the new contract completion date.</p>
MP29	Water of Leith, Flood	Design works are progressing to allow construction to proceed as planned. However	The project team are working on an updated	Programme cost is within budget.	Assurance Reviews have been included in the programme	Protect 492 residential &	Risk: Green

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
	<p><b>Prevention Scheme</b></p> <p><b>Phase 2</b></p>	<p>design check is falling behind and is being addressed at a senior level.</p> <p>Construction works are progressing well; piling is about 50% complete, flood wall construction is progressing.</p> <p>The gas main was decommissioned on 20 June 2016 and as such all the advanced utility works are complete.</p>	<p>programme; at this time there is no reason to suggest that the planned completion will not be met.</p>		<p>plan at scheme definition (Sept 2014) and prior to award of contract (Nov 2015), with the 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 &amp; Safety and Environment plans are in place.</p>	<p>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>	
MP22	<p><b>Zero Waste: Edinburgh and Midlothian</b></p>	<p>Food Waste Transition Project</p> <p>All main elements of construction work are complete. The facility is still in the commissioning stage with the Partner Councils' food waste having been ramped up throughout June and July.</p> <p>Residual Waste Procurement</p> <p>Due to extended negotiations with funders, Financial Close is now expected in August 2016. The Service Commencement date is anticipated to be March/April 2019, in advance of the Landfill Ban. During pre-engineering works currently being carried out by FCC, a manhole and culvert was identified on the site.</p>	<p>Food Waste Transition has experienced slippage. Service commencement delayed from late Dec 2015 to Nov 2016.</p> <p>The residual waste project working assumption on service commencement has moved back from the end of 2018 to March/April 2019.</p>	<p>Food waste- the contractor is picking up the costs for the delay in the commencement of the food waste service.</p> <p>Residual waste following a meeting with FCC and their funders on 20 July, there is now a high level of confidence that the project will reach financial close</p>		<p>Benefits</p> <p>Realisation Plan remains under construction</p> <p>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: Amber</p> <p>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>

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		A technical solution is available and the commercial aspects relating to this are close to agreement.		<p>in September 2016.</p> <p>There are still a variety of factors affecting price that will not be resolved until financial close, including foreign exchange and interest rates. Overall however, despite the poorer foreign exchange rate the programme expects to be in no worse financial position from that at final tender. Whilst this cannot be guaranteed until the contract is signed, the recent lowering of interest rates is a main factor that has balanced out the negative foreign exchange. There is currently a very high likelihood that the final position at financial close will be affordable and can be met from existing landfill budgets. The</p>			

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
				capital budget is overspent by £0.6m. This has been agreed by the Project Board subject to internal agreement by the Councils. The overspend is primarily related to additional works to the new bridge which Transport Scotland incurred and additional costs to Midlothian Council related mainly to the delayed handover of the bridge.			
MP25	<b>Forth Replacement Crossing</b>	<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 Authority and Roads Authority.</p> <p>Due to the revised bridge opening programme (May 2017), TS to CEC asset handover is likely to be postponed until early 2017.</p>	As Transport Scotland (TS) is the lead agency, CEC has no influence on delivery timescales.	As TS is the lead agency no budget information reported.	<p>Work in progress with Transport Scotland to define adoption extents, clarify handover, and quality assurance processes.</p> <p>The North West locality team will liaise with TS to ensure that transferred assets are of good quality and do not expose the authority to maintenance liability and risk.</p>	Enhance transportation links locally and nationally.	Risk: Amber

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
MP30	Recycling Service Project	<p>All properties within the scope of the project have now switched to the new service, including the withdrawal of the replacement of the red and blue box service in tenemental areas with improved on street communal bin recycling.</p> <p>The Dry Mixed Recycling (DMR) contract has now been advertised via Scotland Excel Recyclable and Residual Waste Framework. Anticipated contract commencement date 1 November 2016.</p>	Project complete. DMR contract advertised with anticipated contract commencement date of 1 November 2016.	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>Increased Recycling rates across the city.</p> <p>Contamination workshop to identify new procedure of for dealing with persistent contamination issues.</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>Risk Green</p> <p>Project closed and formal project closure documentation to be agreed.</p>
MP31	Fleet Review	Procurement of new waste collection fleet nearly complete with 39 new vehicles now in operation and only new food waste vehicles left to be procured. 268 new small vans and cars also procured. A refreshed fleet review project is now underway involving Fleet and EY ( as part of the Commercial Excellence Programme) to reassess and quantify future vehicle requirements through a series of 'challenge' sessions with service managers with the aim of reducing the overall size of the council fleet, developing a more sustainable and transparent costing methodology support	The wider fleet review is behind schedule however action has now been taken to bring management to this project	Procurements completed to date have seen significant reductions in spend on external hires and vehicles off road (VOR) due to maintenance and servicing. The Fleet budget has been adjusted to reflect the £1.3m of savings and managed to	<p>Working with department and the transformation programme to define future requirements.</p> <p>Discussion ongoing to assign a PM resource from the transformation team.</p>	The programme is designed to deliver efficiencies and it is anticipated that in the longer term this can be exceeded	<p>Risk Amber</p> <p>Behind schedule, but remedial action now being taken to drive this project forward</p>

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		<p>improved budget management, and implementing a procurement programme that will fully realise efficiencies and economies of scale. This was reviewed at CLT on 10 August.</p> <p>The scope of the review is now being considered and whether to compile a revised business case and take this to CLT at an early stage</p>		<p>deliver a £0.5m surplus in 2015/16 and is forecasting a balanced out-turn for 16/17</p>			
MP32	Programme Momentum (previously Property Conservation / Shared Repairs)	<p>The Programme continues to draw to a close with Customer contact now receiving fewer enquiries, complaints and FOI requests received each month.</p> <p>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 through until March 2017. A number of projects have been identified to test the new service procedures.</p>	Programme is currently progressing to schedule.	<p>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 financial and reputational risk to the Council.</p>	<p>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 role within it.</p>	<p>Reduce outstanding debt and billing of completed work.</p> <p>Resolve all complex and deferred complaints.</p>	<p>Risk: Amber</p> <p>Reputational and ability to realise full debt.</p>
MP33	Edinburgh St James	The Growth Accelerator Model (GAM) Agreement is between the Scottish	The over-run of the CPO inquiry has had a knock	Contractual arrangements have	Assurance Review assessed as Amber	Redevelopment creating	Risk: Amber

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		Government, the Council, and THRE has now been signed by the Coujcil.	on effect to the commencement of works on site.	been structured to minimise financial risk to CEC. To date all costs incurred by the Council have been reimbursed by the developer.  Present GAM works budget has been reduced.	Review of resource to support this project from a Council perspective is required.  As project moves towards a construction phase on a development of this scale, a robust communications protocol is essential. There is a Communications Strategy in place, however this has yet to be signed off by the developer due to other factors. This is an essential part of the Council's co-ordinating role going forward on this project.	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.	.
MP34	ICT Transition & Transformation Programme	Migration of the Council's primary data centre from BT's Capital Exchange (CapEx) facility to CGI's data rooms was delivered at the end of June. Following migration activities, CGI have formed a dedicated task force to optimise system performance and address network	Transition activities are in the main complete with some remaining performance optimisation work underway.	Currently projected to be delivered within budget.	Assurance Review for ERP with SRO.  System performance issues	Benefits are due to accrue from 2016/17 onwards; the planning for Benefits	Risk Amber  Due to slippage in delivery of key

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		<p>issues.</p> <p>Rollout of the first phase of the WAN was successfully completed on 30 June.</p> <p>A number of ICT Transformation Projects commenced in October 2015 and are in various stages of delivery. Bulk Printing, Secure Cheque Printing and BACS Service are complete, leaving twelve in delivery. At time of writing these transformation workstreams, including ERP and Enterprise Integration (supporting Channel Shift) are behind schedule.</p>	Transformation workstreams including ERP and Enterprise Integration are behind schedule.			<p>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>	transformational projects.
MP36	Tram Extension and Leith Programme	<p>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.</p>	<p>Committee Decision Point around the Tram Extension is currently scheduled for June 2017..</p> <p>Budget shortfall is currently projected by both elements.</p> <p>Leith Programme currently projected to complete Phase 4 in May</p>	<p>Tram Stage 1 and Land Acquisition both within budget</p> <p>allocation and team is looking into potential shortfall in funding for Leith Programme Phase 6 and this will be brought back to CLT following consideration by the Board.</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>	<p>The tram extension is to support the overall level of economic growth of Edinburgh through enhancing the viability and attractiveness of major</p>	<p>Ongoing work to manage the interface with the St James Quarter development.</p>

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
			2017 and Phase 5 in December 2017.			housing and employment sites identified in Local Development Plans.	
MP37	St John's RC Primary School	<p>The St John's Primary School project will see delivery of a new build 14 class 2 stream primary school accommodating 462 pupils on the site of the existing Portobello High School and will incorporate a 40/40 nursery with additional accommodation for 20 2-3 year olds.</p> <p>In addition the project will also see;</p> <ul style="list-style-type: none"> <li>• The formation of a secure seven aside all-weather pitch.</li> <li>• The creation of a 2.16 hectare public space to be known as Treverlen Park. This will be a separate project to follow completion of St John's RC Primary School.</li> <li>• Demolition of St John's RC Primary School.</li> <li>• Demolition of the current Portobello High School.</li> </ul> <p>The project is being procured under a traditional form of contract. Delivery is currently in RIBA Design Stage 4 having successfully passed Gateway Review Stage 2 (RIBA Stage 3). The planning application has been lodged and initial comments received from CEC which are being responded to by the lead designers, Holmes Miller.</p>	In the period of this report the procurement of the demolition of the existing Portobello High School has commenced. Contract award is scheduled for 23 August 2016 with mobilisation due on 24 October 2016 following the decant of Portobello High School	Feasibility options require be carefully selecting and appropriately costing and benchmarking in order to demonstrate most the solution that provides the best value for value for money for CEC. Scottish Government Funding is based on an inflation uplift which is now capped to Q2 2017. Current programme anticipates Stage 2 being submitted in 4Q 2017 which would indicate a possible two quarter shortfall in indexation. Note: Following Brexit there is uncertainty about whether prices will go up or down. It is		<p>Supports the following Council outcomes;</p> <ul style="list-style-type: none"> <li>- Our children have the best start in life, are able to make and sustain relationships and are ready to succeed.</li> <li>- Our children and young people are successful learners, confident individuals and responsible citizens making a positive contribution to their communities.</li> </ul>	Risk: Green

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
				highlighted that the final price will be determined after a comprehensive market test.			
MP38	<b>New Queensferry High School</b>	<p>Delivery of new Queensferry High School, under the Scottish Government's Schools for the Future Programme Phase 4. Due to the way in which the (part) funding will be provided by the Scottish Government the project will require to be delivered through a DBFM contract with Hub South East Scotland Limited (HSESL).</p> <p>HSESL have been engaged by CEC under a Strategic Support Services (SSS) agreement to carry out a pre-NPR (New Project Request) feasibility exercise to determine the preferred feasibility option, affordability cap and Council funding requirement for consideration by Council on 22 September 2016. Upon (and assuming) Council approval, the formal NPR application would be submitted to HSESL.</p>		<p>Feasibility options require to be carefully selected and appropriately costed and benchmarked in order to demonstrate most the solution that provides the best value for value for money for CEC. Scottish Government Funding is based on an inflation uplift which is now capped to Q2 2017. Following Brexit there is uncertainty in the construction industry.</p>	<p>Council approved the replacement of Queensferry High School on 25 September 2014. Due to the significant time which has elapsed since Council considered this matter, the projected costs to deliver the project require to be reviewed. In addition, in light of the current and future housing development in the area, the review the capacity requirements for the replacement school</p>		
MP39	<b>Meadowbank Redevelopment</b>	<p>The way forward for the project to redevelop Meadowbank Sport Centre was approved by Council on 10 March 2016. The project comprises the development of a Masterplan proposal for the site for which Planning Permission in Principle will be obtained and the proposed redevelopment of the Meadowbank</p>		<p>No Budget Information supplied</p>	<p>Following a technical review of the previously commissioned Development Brief (Masterplan) and Stage C (sports facility) design reports, the Council has embarked on a programme</p>		

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		<p>sports facility itself.</p> <p>The procurement of the key design team framework consultants via mini competition was concluded on 27 July 2016. Holmes Miller were successful in the appointment for the Lead Architect commission and appointed on 14 July 2016. RSP (Mechanical &amp; Electrical) and AECOM (Civil and Structural) were successful in their own respective disciplines and were both appointed on 27 July 2016. Project Manager, Cost Consultant, Planning Supervisor and BREEAM advisor appointments have already been made. The appointments have been made from the Construction Professional Services Framework however through a combination of either direct negotiation or mini competition total savings of an estimated £246,000 have been achieved compared with the tendered framework rates for the various consultants.</p>			<p>to reappraise the project and secure the agreement of a revised Masterplan approach for the site and the delivery of a new Sports Facility fit for the 21st century.</p> <p>Design is not currently formally in alignment with BREEAM procedures and processes. Design requires to be reviewed and BREEAM process implemented along with revisit of Stage 2 and value engineering.</p>		