

Finance and Resources Committee

10.00am, Thursday, 23 February 2017

Governance of Major Projects: progress report

Item number	7.3
Report number	
Executive/routine	
Wards	All

Executive summary

This report contains an update of the major projects portfolio and assurance reviews.

Links

Coalition pledges	P03, P20, P23, P27, P28, P36, P41, P44, P47, P49, P51, P53
Council outcomes	C01, C02, CO25, CO26
Single Outcome Agreement	All

Governance of Major Projects: progress report

Recommendations

It is recommended that Committee:

- 1.1 notes the current synopsis of the dashboard reports for the major projects portfolio set out in appendix 1 and agrees the proposed future portfolio dashboard reporting matrix outlined in Appendix 3;
- 1.2 notes the outcome and recommendations of new Boroughmuir High School assurance review set out in paragraphs 3.3, 3.4 and 3.5 of this report; and
- 1.3 agrees the assurance review schedule for Q4 2016/17 and Q1 2017/18 detailed in Appendix 2.

Background

- 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.

Main report

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, however this is independently reviewed in detail and challenged by the Portfolio and Governance Manager within the Transformation Team. A synopsis of the latest set of dashboard summaries is contained in Appendix 1.

Assurance Reviews

Boroughmuir High School

- 3.3 An Assurance Review on the progress with build of the new Boroughmuir High School was completed in December 2016. The review team, supported by Turner & Townsend, assessed the project to be Red-Amber.

- 3.4 The contract completion date of the 18th October 2016 has now passed and the project is in delay. The review team assessed that the revised completion date of 21st April was also at risk and further slippage likely.
- 3.5 The review team recommended due diligence to be completed on the Contractor's programme in January 2017. An independent programme consultant was appointed via Thomas and Adamson who has undertaken a detailed review of current works and assessed a completion date of 16 June 2017 is achievable. Resource from all parties are meeting weekly to ensure focus is maintained on completion and any necessary corrective action taken promptly.

Schedule of Assurance Reviews

- 3.6 Appendix 2 provides a schedule of upcoming reviews agreed with the Corporate Leadership Team ('CLT') and Project Sponsors for the remainder of Q4 2016/17 and Q1 2017/18. The Portfolio & Governance Manager and Chief Internal Auditor propose reviews of major projects are completed at key stages of project and programme delivery, i.e. initiation, key stages and closure. Post project reviews will be undertaken within a year of project closure and will focus on ensuring post project activities including embedding business change and benefits realisation are being delivered in line with agreed plans.
- 3.7 Ownership of the assurance reviews will lie within the Portfolio and Governance area but the Portfolio and Governance Manager will work in partnership with the Chief Internal Auditor to schedule and resource reviews. Finance colleagues will continue to support reviews and at times specialist resource will be commissioned to lead where in-house capability is not available.

Composition of the Portfolio

- 3.8 Since previously reporting to Committee, the composition of the Portfolio now incorporates key transformation programmes, including Asset Management, Customer and Localities workstreams. A pipeline of further strategic transformation priorities will be agreed and closely aligned to the Local Outcomes Improvement Plan, Council business and locality improvement plans. In addition, the future programme will capture a range of process improvement initiatives, further efficiencies and develop a programme of income maximisation.
- 3.9 Early Years projects and the Ross Bandstand are also now being reported through the Major Projects Portfolio.
- 3.10 The following legacy projects will now be formally closed and removed from the Major Projects Portfolio; Connected Capital, James Gillespie Campus, Portobello High School and Programme Momentum. As detailed above, post project reviews will be scheduled for each of these projects within the next 12 months.

Enhanced Governance and Portfolio Management

- 3.11 Revised and strengthened governance across all Council initiatives covering transformation activities and the major projects portfolio has been implemented. A Change Board composed of members of CLT will approve priority change initiatives that ensure available resources are aligned to deliver outcomes and outputs to achieve the Council's strategic objectives. A Change Prioritisation team comprising Transformation Team resource and key service area representation will analyse and prioritise change initiatives which align closely to the Council's strategic priorities and deliver key benefits for citizens and communities for the Change Board's approval.
- 3.12 A proposal for the formation of a permanent Portfolio Management office considered and agreed by CLT in December 2016. The office will sit within the Portfolio and Governance section of the Transformation Team and have the following responsibilities:
- Ensure portfolio-wide PPM standards, processes and templates are adopted by all major projects to ensure consistent approaches are applied and to provide a clear line of sight across the portfolio;
 - Provide an assurance to senior management on effective and efficient management and delivery of change initiatives;
 - Provide a challenge or critical-friend role for individual initiatives;
 - Provide support, advice and guidance to individual change initiatives, whilst ensuring that this does not compromise the portfolio office's independence from the delivery functions by, for example, ensuring different staff provide the support and assurance functions;
 - Coordinate and participate in assurance, investment appraisal and portfolio level prioritisation;
 - Prepare the portfolio dashboard; and
 - Assist in the development of links and feedback loop between strategy and Project/Programme (PPM) delivery.
- 3.13 The PMO will be primarily concerned with ensuring initiatives remain strategically aligned and coordinate delivery at a collective level. Key deliverables of this unit will be to address dependencies and portfolio level risks, managing constraints to optimise delivery, monitor benefits realisation and ensure timely information is available on the performance of the portfolio to Senior Management.
- 3.14 It is proposed that the portfolio dashboard reports on the following key indicators:
- Benefit Realisation – i.e. percentage of projects' benefits at risk;
 - Budget – i.e. percentage of projects over budget and aggregate value over budget;

- Risk – i.e. percentage of projects not managing risks effectively;
- Resource – i.e. percentage of projects short of critical resource;
- Time – i.e. percentage of projects behind schedule;
- Embedding Change – i.e. projects following the agreed project/programme management standards.

3.15 Appendix 3 details a proposed portfolio dashboard report that will replace the current dashboard provided in Appendix 1 for this reporting period. Progress of those projects and programmes agreed as priority by the Change Board will be reported via the agreed dashboard.

Risk

3.16 In response to recommendations identified as part of an Audit on embedding the Risk function effectively across the Council, the Portfolio and Governance Manager and Chief Risk Officer have agreed reporting and management of risk in projects and programmes will be aligned with the Corporate Risk Management approach. A Transformation toolkit is being developed and will be available by mid-February 2017 that will in addition to project and programme templates, incorporate process and business change guides and templates. The toolkit will be available for all project, process and business change initiatives and will mandate adoption of a number of standardised key documents including the agreed risk register and business case documents.

3.17 The Chief Risk Officer and his team will work closely with Portfolio and Governance to ensure that rigour is applied to the management of project and programme risk. In particular, the risk function will play a lead role at the project initiation/programme definition phase of major projects to ensure the focus on risk and the management of risk is embedded early in project delivery.

3.18 To ensure visibility of key project and programme risks the Portfolio and Governance Manager now attends departmental Risk Committees to report not only on RAG status and recommendations in relation to Assurance Reviews but will also highlight key/escalated project and programme risks.

Major Projects Delivery Unit

3.19 Currently 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. As the Council continues to transform and develop a future focused skills mix, major projects has been identified as an area for the introduction of a new delivery model and unit that will build and retain internal capability to deliver complex infrastructure projects.

3.20 This new model will adopt the best practice portfolio approach to the management, delivery and governance of these major projects.

- 3.21 The business case for will be presented to CLT during Spring 2017 for their consideration and will propose a virtual and physical MPDU options.

Measures of success

- 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

- 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.
- 5.2 The cost of resourcing the PMO will be met within the existing Transformation team budgets.

Risk, policy, compliance and governance impact

- 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

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

Sustainability impact

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

Consultation and engagement

- 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

[Governance of Major Projects](#)- Governance, Risk and Best Value Committee, 24 October 2016

Andrew Kerr

Chief Executive

Kirsty-Louise Campbell, Interim Head of Strategy and Insight

E-mail: kirstylouise.campbell@edinburgh.gov.uk | Tel: 0131 529 3654

Scott Robertson, Portfolio and Governance Manager

E-mail: scott.robertson@edinburgh.gov.uk | Tel: 0131 469 3048

Links

Coalition pledges

- P03 - Rebuild Portobello High School and continue progress on all other planned school developments, while providing adequate investment in the fabric of all schools
- P20 - Work with the Scottish Government to deliver a larger return of business rate receipts as part of the Business Rates Incentivisation Scheme (BRIS)
- P23 - Identify unused Council premises to offer on short low-cost lets to small businesses, community groups and other interested parties
- P27 - Seek to work in full partnership with Council staff and their representatives
- P28 - Further strengthen our links with the business community by developing and implementing strategies to promote and protect the economic well being of the city
- P36 - Develop improved partnership working across the Capital and with the voluntary sector to build on the "Total Craigroyston" model
- P41 - Take firm action to resolve issues surrounding the Council's property services
- P44 - Prioritise keeping our streets clean and attractive
- P47 - Set up a city-wide Transport Forum of experts and citizens to consider our modern transport needs
- P49 - Continue to increase recycling levels across the city and reducing the proportion of waste going to landfill
- P51 - Investigate the possible introduction of low emission zones
- P53 - Encourage the development of Community Energy Co-operatives

Council outcomes

- CO1 - Our children have the best start in life, are able to make and sustain relationships and are ready to succeed.
- CO2 - Our children and young people are successful learners, confident individuals and responsible citizens making a positive contribution to their communities.
- CO25 – The Council has efficient and effective services that deliver on its objectives.

**Single Outcome
Agreement
Appendices**

CO26 – The Council engages with its stakeholders and works in partnership to improve services and deliver on agreed objectives
All

Appendix 1 - Overview of major projects portfolio – as at 31 Dec 2016
Appendix 2 – Assurance Review Schedule – Q4 2016/17 & Q1 2017/18
Appendix 3 – Proposed Portfolio Dashboard Model

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
MP2	Connected Capital	<p>Programme to be formally closed and removed from the Major Projects Portfolio.</p> <p>Close report to be completed in February 2017.</p> <p>Concession Contract and remaining rollout will continue as part of BAU activities.</p>					
MP8	James Gillespie's Campus	<p>Programme to be formally closed and removed from the Major Projects Portfolio.</p> <p>Close report to be completed in February 2017.</p>					
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 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>	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>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 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>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 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.</p>	<p>Community Benefits including employment and training opportunities.</p> <p>Increasing affordable housing supply across the city.</p> <p>Providing support to the economy and construction industry.</p>	Risk: Green

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		<p>North Sighthill: Keepmoat Scotland Ltd were appointed preferred bidder by Finance & 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>					
MP12	New Boroughmuir High School	<p>The contract completion date of 18th October 2016 has not been met. An estimated completion date of 21st April 2017 provided by the contractor is now also deemed to be unachievable and a revised completion date of 16th June has been proposed. Weekly review of actual progress against the contractor's programme is ongoing for monitoring purposes with monthly Principal's meetings being held between the SRO and senior management of the contractor.</p> <p>An Assurance Review of the project was undertaken in December 2016 and assessed the project as being Red-Amber (Delivery</p>	Contract completion date of 18 th October has been missed and project now in delay.	A total of 27 (non contractor) change orders requests have been raised to date. All change orders have either been authorised or rejected with no change orders remaining outstanding. The estimated order of cost remains within the client contingency retained in the project budget.	<p>A Clerk of Works is 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 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</p>	<p>C01 – Our children have the best start in life, are able to make and sustain relationships and are ready to succeed.</p> <p>C02- Our Children and young people are successful learners, confident</p>	<p>Risk: Red</p> <p>Assurance Review undertaken Dec 2016 recommending actions to be undertaken to achieve completion now the project has passed the</p>

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
		Doubtful). A number of recommendations were proposed by the review team, including commissioning an independent programme professional to review current programme and recommend actions to ensure contract completion by 21 st April 2017.			School and Council.	individuals and responsible citizens making a positive contribution to their communities.	agreed contract completion date and is in delay.
MP13	New Portobello High School	Programme to be formally closed and removed from the Major Projects Portfolio. Close report to be completed in February 2017.					
MP29	Water of Leith, Flood Prevention Scheme Phase 2	The current submitted programme shows all design check certifications except FG03 are now due to be submitted to CEC by end Feb 2017. Whilst the due date of the last design check certification is later than previous report dates it does not have an impact on the progress of construction. The construction works continue to progress well. Prior to the Christmas holiday period, the main focus of construction has been completing the piling works at RB14. The 2 nd phase of piling is progressing well and is expected to complete within the next reporting period. RC flood walls on the left bank are 66% complete and 55% complete on the right bank. The majority of cladding for the completed floodwalls has been completed.	An updated programme submitted on 15 Dec 2016 was accepted by the project team	Programme cost is within budget.	Ongoing stakeholder engagement activities have raised no significant issues. The next stakeholder meeting is scheduled for 13 th February 2017. Most of the stakeholders are content with the current stakeholder engagement arrangements and measures. Health & Safety and Environment plans are in place. Neo Environmental continue to monitor compliance.	Protect 492 residential & commercial properties. Reduce dependency on temporary flood defences. Provide enhanced access to the riverside. Improve quality of life for residents affected by flooding.	Risk: Green

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
MP22	Zero Waste: Edinburgh and Midlothian	Nil Return.					
MP25	Forth Replacement Crossing	<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
MP30	Recycling Service Project	<p>Programme to be formally closed and removed from the Major Projects Portfolio.</p> <p>Close report to be completed in February 2017.</p>					
MP31	Fleet Review	The scope of this programme is currently under review and with support from the Transformation Team will be re-scoped, the business case reviewed and developed which will also include the wider transport components.	The wider fleet review is behind schedule however action has now been taken to provide robust management to this project. Re-scoping and review and revision of the business case will be priority activities as described.	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	Working with department and the transformation programme to define future requirements.	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>

Ref	Appendix 1	Overall	Time	Cost	Quality	Benefits	Risk (reputational / deliverability)
				the £1.3m of savings and managed to deliver a £0.5m surplus in 2015/16 and is forecasting a balanced out-turn for 16/17			
MP32	Programme Momentum (previously Property Conservation / Shared Repairs)	Programme to be formally closed and removed from the Major Projects Portfolio. Close report to be completed in February 2017.					

MP33	Edinburgh St James	The Growth Accelerator Model (GAM) Agreement is between the Scottish Government and the Council. Agreed by both parties.	The over-run of the CPO inquiry has had a knock on effect to the commencement of works on site.	Contractual arrangements have 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.	Assurance Review assessed as Amber 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.	Redevelopment creating 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.	Risk: Amber
MP34	ICT Transition & Transformation Programme	As part of the contract with CGI, a number of key ICT transformation projects were agreed and scheduled for delivery as part of the ICT transformation element of the partnership A number are now complete and operational including, bulk printing, secure cheque printing and BACS.	Transition activities are in the main complete. However there remains some performance issues and CGI have been working to address and optimise performance	Currently projected to be delivered within budget.	Performance issues ongoing in some areas, including schools.	Benefits are due to accrue from 2016/17 onwards; the planning for Benefits Realisation and	Risk: Red Due to slippage in delivery of key transformation

		<p>However, key business critical projects are significantly behind schedule and currently in re-plan, namely ERP and Enterprise Integration. The latest dashboard also has a number of other projects at risk, including:</p> <ul style="list-style-type: none"> • Web • ECM • myBookings • LAN • Voice • Infrastructure 	over a number of months.			<p>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>	nal 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.</p> <p>The tram extension mobilisation is underway and site investigation procurement now complete. McNicholas Construction Services commenced site investigation works on 9th Jan 2017 and scheduled to complete these by 3rd March 2017. Stage 1 enabling works are on track to be complete by agreed plan date of 27th April 2017.</p> <p>Mitigation to delays to Phase 4 of the Leith Programme are underway with the project</p>	<p>Committee Decision Point around the Tram Extension is currently scheduled for June 2017.</p> <p>Leith Programme currently projected to complete Phase 4 in Jul 2017 and Phase 5 in Jun 2018. Budget shortfall attributed to no allowance in Phase 1 and non construction costs.</p>	Tram Stage 1 works within budget. Land Acquisition costs not included as part of the outline business case. Potential shortfall in funding for Leith Programme Phase 6 and this will be brought back to CLT following consideration by the Board.	<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 housing and employment sites identified in Local Development</p>	<p>Risk:</p> <p>Ongoing work to manage the interface with the St James Quarter development.</p>

		<p>team working with Land Engineering on an alternative delivery approach which proposes increasing the number of work sites.</p> <p>Phase 5 TRO consultation concluded on 25th November. The Project Team will review and respond to remaining objections. Detailed design is ongoing and is in line with the baseline programme. The PQQ was drafted for issue on 2nd Dec 2016.</p>				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"> • The formation of a secure seven aside all-weather pitch. • 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. • Demolition of St John's RC Primary School. • Demolition of the current Portobello High School. <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).</p> <p>The planning application has been granted with minor conditions and initial comments received from CEC are being responded to by</p>	<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</p>	<p>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>		<p>Supports the following Council outcomes;</p> <ul style="list-style-type: none"> - Our children have the best start in life, are able to make and sustain relationships and are ready to succeed. - Our children and young people are successful learners, confident individuals and responsible citizens making a positive contribution to their communities. 	Risk: Green

		<p>the lead designers, Holmes Miller.</p> <p>Coleman and Company have taken possession of the site and are currently carrying out asbestos surveys. The contractor has intimated that the extent of asbestos is higher than previously envisioned.</p> <p>Weekly demolition site progress meetings are underway and no issues reported to date.</p>		<p>highlighted that the final price will be determined after a comprehensive market test.</p>			
MP38	New Queensferry High School	<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 under a strategic support services agreement have completed the feasibility study for the project. The findings, recommendations and costs for the development options have been considered by CEC C&F. C&F have determined an affordability cap approved by the Council on 24 November 2016 and a new project request (NPR) submitted to HSESL at the end of 2016.</p>	On time	<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.</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>	<p>Supports the following Council outcomes;</p> <ul style="list-style-type: none"> - Our children have the best start in life, are able to make and sustain relationships and are ready to succeed. - Our children and young people are successful learners, confident individuals and responsible citizens making a positive contribution to their communities 	

MP39	Meadowbank Redevelopment	<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 sports facility itself.</p> <p>A feasibility design to RIBA stage 2 and a review of costs and funding package are now complete. A report to Culture and Sport Committee on 14 December 2016 approved the estimated funding gap of £7.9M would be referred to the Council's budget setting process meeting in February 2017.</p>	Feasibility study and PAN applications complete in line with key milestone schedule	Estimated funding gap of £7.9m to be referred to Council's budget setting meeting in Feb 2017	<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 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>		<p>Risk:</p> <p>Funding package to be finalised.</p> <p>Significant major works and new infrastructure. Design and early engagement with utilities to be progressed.</p>
MP40	Northbridge	<p>Intervention Works:</p> <p>South span works complete. Work on centre span above platforms 10/11 is under review with Taziker/Geckotech instructed to remove any potential loose material / drop hazards in that area. Scaffolding to the north abutment has been moved back to 5th February 2017 as required by Network Rail.</p> <p>Refurbishment:</p>	Possession in both intervention and refurbishment works to be carefully planned in conjunction with Network Rail.	<p>Intervention:</p> <p>Project working to firm up costs once full scope of works required is complete.</p> <p>Refurbishment</p> <p>Full refurbishment of Northbridge has been highlighted as the top unfunded priority for the Council. The project has been put</p>			<p>Risk:</p> <p>Progress with intervention works and refurbishment will heavily dependent on the need for and availability of possessions. The project is working</p>

				forward for inclusion in the Council's Capital Investment Programme and a decision expected at meeting of full Council in Feb 2017.			closely with Network Rail to minimise any possible delay. Funding availability for refurb.
MP41	Ross Bandstand	<p>Work scheduled to commence on the Ross Fountain and the Gardeners Cottage by March 2017 and scheduled for completion by November 2017.</p> <p>The design competition for the Ross Bandstand is due to launch early February 2017 and the winner announced in August 2017.</p> <p>An event is likely to take place to coincide with the doors open day in September to allow visitors to find out more about the project and winning design.</p>	Key milestones progressing to plan.	Scheduled works contained within agreed funding package.		Supports strategic priorities including building excellent places and ensuring economic vitality.	
MP42	Council Transformation Programme	<p>Projects/Programmes:</p> <p>Customer – Business Cases prepared and the programme team working closely with Finance to ensure alignment and accuracy of savings figures. c £1m of the total £6m savings are ICT dependant and regular meetings being held with ICT to track delivery of ICT dependencies.</p> <p>H&SC – final amendments to structure presented to CLT. Finance have updated costs to calculate estimated loss of savings. The exact amounts will be calculated after the VR process is complete.</p> <p>Asset Management – Key Committee reports</p>	<p>On plan to deliver 2016/17 savings. Work to embed transformation activities to accelerate.</p> <p>Options for future savings to be developed.</p>	2016/17: £35.6M of the targeted £40.8M secured.	PMO unit in place to ensure quality of management information is available for senior management to make informed decisions.		Risk: Delivery against savings targets and ensuring transformation and embedding change is delivered.

	<p>to be tabled for approval Jan/Feb 2017. Phase 3A Organisational Review underway, 3B to commence in March 2017. Facilities Management workstream - CAFM CR for mobile working agreed and submitted to CGI. Price and options to be delivered by end Jan 2017. Asset Condition workstream – pilot surveys underway to test process and equipment. Training for Surveyors underway who will be part of the programme.</p> <p>Localities – Programme delivery scheduled in three tranches. Detailed planning sessions scheduled for early February to ‘flesh’ out tranche 1. Locality Improvement Planning (Phase 1) complete and preparation for phase to that will commence in February underway.</p> <p>Safer and Stronger – Business case for Advice Services in development.</p> <p>Next Phase: Transformation Team to work with service areas to create a pipeline of future saving proposals.</p> <p>Organisational Reviews:</p> <p>27 reviews now complete. Reviews currently in progress include; Democratic Services, Schools & Lifelong Learning, Health & Social Care (Phase 2) , and Property & Facilities Management (Phase 3A). Reviews yet to start include Property and Facilities Management (Phase 3B) with consultation to start in March 2017. A Business Case for Safer & Stronger Communities – Advice Services is in development.</p>					
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Appendix 2 – Assurance Review Schedule Q4 2016/17 & Q1 2017/18

Ref	Project/Programme	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Lead
MP2	Connected Capital		Close Report							Transformation
MP8	James Gillespies Campus		Close Report							Transformation
MP10	National Housing Trust				Assurance Review					Transformation
MP11	21 st Century Homes					Assurance Review				Transformation
MP12	New Boroughmuir High	Assurance Review								Transformation
MP13	New Portobello High School		Close Report							Transformation
MP29	Water of Leith, Flood Prevention Scheme - Phase 2						Assurance Review			Transformation
MP22	Zero Waste: Edinburgh and Midlothian				Assurance Review					Internal Audit
MP25	Forth Replacement Crossing				Assurance Review					Transformation
MP 30	Recycling Service Project			Close Review						Transformation
MP 31	Fleet Review			Assurance Review						Internal Audit
MP32	Programme Momentum		Close Report							Transformation
MP 33	Edinburgh St James								Assurance Review	Internal Audit
MP 34	ICT Transition & Transformation			Healthcheck				Assurance Review		Transformation
MP36	Tram Extension & Leith Programme					Assurance Review				Transformation
MP37	St Johns RC PS					Assurance Review				Transformation
MP38	New Queensferry HS				Assurance Review					Transformation
MP39	Meadowbank Redevelopment						Assurance Review			Internal Audit
MP40	Ross Bandstand			Assurance Review						Internal Audit
MP41	Council Transformation Programme (inc. Savings Proposals 2017/18)					Assurance Review				Internal Audit

Appendix 3 – Proposed Portfolio Dashboard Report

Name	ID	Type	Priority	SRO	Stage	Management & Control		Delivery		Notes	Delivery Date	R
						This mth	Last mth	This mth	Last mth			
Project 1	12	Efficiency	4	M Smith	Delivery	↑	█	↑	█		Feb 2017	
Project 2	23	Legislative	7	L Brown	Initiation	↓	█	↑	█		Jul 2017	
Project 3	31	Revenue	2	J Roland	Close	↑	█	↓	█		Mar 2018	

The project's alignment to key strategic drivers.

Project's priority as agreed by Change Board.

Summary of how well the project complies with project/programme management standards, e.g. schedule, risk, quality.

Summary of actual status of the project compared to it's approved plans as at the reporting date, e.g.

- Actual progress against planned schedule
- Actual spend against planned budget (and use of contingency).
- Benefits realisation progress
- Level of risk

Summary of project aims and any corrective actions required, owners and timescales to address deliverability, risk, benefit realisation issues.

Has reporting been submitted on time and to the required quality.