

The Executive

On 13 June 2006

Report title: **Programme Highlight Report April 2006**Report of: **The Chief Executive****Ward(s) affected:** All**Report for:** Non Key Decision**1. Purpose**

- 1.1 To provide highlight reports for all the Council's corporately significant projects, covering the period up to the end of April 2006.

2. Introduction by Executive Member for Organisational Development and Performance Management (Cllr Dhiren Basu)

- 2.1 Following the Audit Commission review of project management, members expressed concern about the need to strengthen programme and project management processes.
- 2.2 The Council's response to the Audit Commission recommendations was presented to the Executive on 21 February. One of the key actions agreed by members was that the programme highlight report, which contains progress reports and management summaries of key Council projects, should be reported to the Executive each month.
- 2.3 Accordingly, this report sets out the highlight report for projects that report to the programme up to the end of April 2006. The detailed programme report is shown in appendix 1, with the main highlights shown in the covering report on an exception basis.
- 2.4 This is the first report to Members that includes details of all the Council's corporately significant internal and external projects. Prior to changes to the programme structure implemented in April, previous reports only covered the Council's large internal projects and did not include details of externally focussed projects such as the schools building programme and regeneration projects.

3. Recommendations

- 3.1 To note the report.

Report authorised by: Dr Ita O'Donovan, Chief Executive

**Contact officers: James Davis, Improvement and Performance
Tel: 020 8489 2510**

**Lauren Watson, Improvement and Performance
Tel: 020 8489 2514**

4. Executive Summary

- 4.1 This report sets out the routine project highlight reports for the Council's programme of projects in April 2006.
- 4.2 The programme highlight report shown in Appendix 1 provides a management summary that sets out progress over the reporting period. A traffic lights system, like the one used in the Finance and Performance report, shows the project status against key indicators.
- 4.3 Key highlights from the programme are shown in the covering report on an exception basis.

5. Reasons for any change in policy or for new policy development (if applicable)

- 5.1 None

6. Local Government (Access to Information) Act 1985

The following background papers were used in the preparation of this report:

- 6.1 Report to Executive on 21 February: Programme and Project Management – Response to the Audit Commission Review of Project Management.
- 6.2 Detailed project highlight reports.

7. Background

- 7.1 The programme highlight shown in Appendix 1 provides details of all the Council's corporately significant internal and external projects that report through the Council's programme structure. The information in the report is taken from detailed project highlight reports for each project that have been agreed by the respective Project Boards. Due to the reporting cycle, there is a time lag in the information presented and this report shows projects' status at 30 April 2006.

7.2 For each project, there is a management summary that sets out progress over the reporting period. A traffic lights system, like the one used in the Finance and Performance report, shows the project status against key indicators, including:

- Overall Status
- Status last month
- Timescales
- Budget
- Resources
- Issues
- Risks

7.3 The traffic light annotation is used as follows:

- **Green Status:** Project progressing to plan and scheduled to deliver on, or ahead of, time. All risks and issues under control and none outstanding requiring Executive/Senior Management attention. Committed costs on track and within sanctioned budget
- **Amber status:** Project is progressing but subject to small delays. Issues outstanding which could pose significant threat to the Project. There may be a budget variance but it is less than £25,000.
- **Red status:** Project progress is well off track and implementation date will be delayed. There are major issues/risks which pose immediate threat to the project. The project has stalled because of lack of project resources and / or there is a budget variance in excess of £25,000.

7.4 Good progress has been made with implementing the action plan in response to the Audit Commission report. Since the last programme report to the Executive in March 2006, the new programme structure has been established and revised reporting arrangements are in place.

7.5 Major (level 1) programme projects, which are subject to more stringent project management arrangements, have been identified separately under the new structure and the programme office is working with these project teams to implement the new arrangements for external challenge and project assurance. In accordance with the action plan, Management Board has also agreed that project sponsors for these projects will be a member of the management team without responsibility for the project areas, as follows:

- Haringey Heartlands: Justin Holliday
- Tottenham Hale Urban Centre: David Hennings
- Building Schools for the Future: Andrew Travers
- Children's Networks (inc Children's Centres): Ita O'Donovan
- Primary Schools Capital Projects: Anne Bristow
- E-Care: Gerald Almeroth
- Insourcing ICT: Davina Fiore

- 7.6 Management Board also recently agreed to the establishment of a Housing Improvement Programme Board to focus attention on the work required to achieve two stars in the lead-up to the Homes for Haringey inspection. The projects under this board will start to report through the programme from June 2006.
- 7.7 The focus for the coming weeks will be to support the all programme projects to embed the new requirements and work with project teams to identify the outputs and benefits of their projects so that these can be tracked effectively across the programme.

8. Exception Report

- 8.1 In addition to the management summaries provided for each project in appendix 1, key highlights from the programme are shown below on an exception basis.

8.2 Regeneration Stream Board

8.2.1 Haringey Heartlands

- 8.2.2 The temporary budget allocation (£150,000) for professional fees for the strategic sites programme ended in the last financial year. Other options for funding professional fees for Heartlands are being explored including using income from charges for major planning applications.

- 8.2.3 There is insufficient budgeting provision available to the project managers for professional fees to cover the anticipated costs of, for example, public consultation, printing and publicity, appraisals, negotiating land acquisitions and architectural input into the Masterplan.

8.2.4 Tottenham High Road Strategy Implementation

- 8.2.5 Tottenham Green Enterprise Centre project is behind due to cash flow concerns. To resolve this, the team is undertaking a spend and output profile review to make best use of the London Development Agency grant.

- 8.2.6 Construction procurement for Rangemoor Road and Stoneleigh Road projects is reliant upon Framework Agreement completion. The Framework was due to be in place in April and selection cannot take place until this is complete. Further delay will affect the two programmes.

- 8.2.7 There is a need to identify an alternative project to the original Templeton Hall proposal (projected value £1.6m). Three sites have been identified and the team will continue to closely liaise with potential partners to confirm schemes.

- 8.2.8 Projects may not be completed by December 2006 which would cause European Regional Development Fund (ERDF) under spend. Present £1.1m match funding shortfall will put approximately £500,000 ERDF grant at risk. To mitigate this, the project team will constantly monitor projects and liaise with Project Managers to address issues as they arise and continue to develop reserve projects to formally include in the programme. The

Government Office for London are considering a request to extend the project completion date to 31 March 2007. A formal decision is expected this month.

8.3 Safer Communities Stream Board

8.3.3 The stream board is in the process of identifying projects that should report through the programme. Once these projects have been identified and scoped they will be reported in the programme report.

8.4 Children and Young People Stream Board

8.4.1 There are no exception reports for the Children and Young People Stream Board.

8.5 Well Being Stream Board

8.5.1 Housing Adaptations

8.5.2 The purpose of this project is to implement a new service structure and processes in Occupational Therapy and Housing Adaptations. The aim of these changes will be to provide a quicker service to users, from the first point of contact with the council to completion and sign-off of adaptations, so that it does not exceed 164 days.

8.5.3 The traffic lights for this project are all showing amber this month. Following advice from Personnel it is now clear that, as this project will propose changes to over 20 posts, a report will need to be agreed by General Purposes Committee. This will delay the recently agreed timescales for the project and a revised date of 1 September 2006 has been set for the implementation of the new structure.

8.5.4 Housing Advice and Homelessness

8.5.4 The aim of this project is to close the separate homelessness foyer at Apex House, merge the housing advice and homelessness teams and deliver the service via Customer Services in one site on a trial basis.

8.5.5 The project is currently unable to confirm a go-live date for the project as the completion date for refurbishment of Apex House Customer Service Centre has not yet been finalised. Difficulties in completing the majority of the refurbishment work within working hours could delay the refurbishment. The timescale for completion may have to be extended, possibly to as much as 12 weeks, to allow more out of hours working.

8.5.6 To resolve this problem, the Assistant Director for Housing Strategy and Head of Customer Services will produce a joint report analysing the current issues affecting the project to establish:

- whether the project can be delivered within the planned timescales, including how the contractors for the refurbishment work will be appointed;
- whether funding can be secured to deliver the accommodation refurbishment required; and what alternative options are available.

8.6 People Stream Board

8.6.1 There are no exception reports for the People Stream Board.

8.7 Value for Money Stream Board

8.7.1 Homecare Efficiency Review

8.7.2 The review of Homecare is one of the first two efficiency reviews that the Council is undertaking in response to the Gershon report and Audit Commission focus on value for money.

8.7.2 A draft of the final report was considered by the Project Board on 8 May and additional work was requested to examine different models of care, supplies and services and provide a more detailed breakdown of Homecare's unit cost figure. This will delay completion of the final report by 3 weeks to 30 May.

8.7.3 Procurement Programme

8.7.4 The 2005-7 efficiency target for Procurement across the Council is set at £2m cashable. In 2005/6, £200,000 was achieved through the procurement of Insurance and in 2006/7, £800,000 should accrue from the Agency Resource Centre.

8.7.5 The remaining £1m should be addressed through new projects that will be submitted to the Value for Money Board for approval. These are: Bought in Legal Services, Transport Services, Temporary Accommodation, Marketing & Communications and Training Consultants. There is a pressure to conduct these reviews quickly so that any new arrangements can be implemented in this financial year to accrue the necessary efficiency savings. However, as all these projects are currently being scoped and planned the £1m savings target for 2006/7 is at risk.

8.8 Customer Focus Stream Board

8.8.1 There are no exception reports for the Customer Focus Stream Board.

9. Comments of the Director of Finance

9.1 The Director of Finance has been consulted on this report and comments are as follows:

- Haringey Heartlands – project will need to identify funding before committing any further costs this year
- Tottenham High Road – the £1.1m match funding previously included by the NDC for Templeton Hall brings in approximately £560k of European funding, which is time limited. The project is actively working to find suitable replacement schemes to ensure the full funding is not lost.
- Building Schools for the Future (BSF) – the Council has been notified that it cannot use BSF funding for the purchase of land, namely the Heartlands School site, originally we had assumed a contribution of £2.1m towards the total £7.3m cost. The Council should continue to pursue this issue with the Partnerships for Schools.

- Procurement – this project has a target of £2m of savings, equally split over 2005/06 and 2006/07. Only £1m has been identified with projects implemented, so there is likely to be a shortfall against the target in 2006/07. This will be reported to Executive in budget monitoring.
- IT Insourcing – the detailed cost plan has been agreed and the project is moving forward on that basis, but will be subject to further funding being approved at Executive on 13 June.

10. Use of Appendices

Appendix 1: Programme Highlight Report