

Executive

On 25 July 2006

Report title: **Programme Highlight Report May 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 May 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 May 2006. The detailed programme report is shown in appendix 1, with the main highlights shown in the covering report on an exception basis.

3. **Recommendations**

- 3.1 To note the report.

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4. Executive Summary

- 4.1 This report sets out the routine project highlight reports for the Council's programme of projects in May 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 31 May 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.

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.

8.3 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 Building Schools for the Future (BSF)

8.4.2 Detailed financial information is not currently available to profile the budget for BSF. The budget will be agreed as part of producing the project initiation document which will be available in July.

8.4.3 Primary Schools Capital Projects

8.4.4 Works on Coldfall School are proceeding in accordance with the plan to handover the new classroom and finish phase two of the works by November 2007. The construction works are approximately 70% complete

8.4.5 However, there is a budget variance of £50,000 on the overall programme budget due to an additional commitment for the reception and entrance area.

8.4.6 The Broadwater Farm project has been delayed by the decision to phase both Targeted Capital Fund projects with the secondary scheme at White Hart Lane. The White Hart Lane scheme has been now subsumed into the Building Schools for the Future plan for the whole White Hart Lane campus.

8.4.7 The budget for Broadwater Farm is only sufficient to re-provide Primary Special Educational Needs facilities and the shared new entrance, kitchen, dining and resource area.

8.5 Better Haringey Stream Board

8.5.1 There are no exception reports for the Better Haringey Stream Board.

8.6 Well Being Stream Board

8.5.1 There are no exception reports for the Well Being Stream Board.

8.7 Housing Stream Board

8.7.1 Repairs Procurement

8.7.2 The purpose of this project is to procure a value for money responsive repairs and maintenance service for Haringey's tenants and leaseholders.

8.7.3 The timescales for this project are red this month. As a result of delays in appointing a procurement consultant the current timetable is being reviewed and a new plan will be produced for the Housing Programme Board in July.

8.7.4 Adaptations Project

8.7.5 The financial systems, working processes and protocols and performance management arrangements for the restructured Adaptations Service need to be established. This work will require substantial change management input as the change in structure and working practices is a large culture change for staff. Dedicated resources need to be identified to undertake this work and the project manager is raising this with the Assistant Director for Adult Services.

8.7.6 No additional capital is available in 2006/07 over the 2005/06 standstill position, despite the increase in the base budget. Therefore there will be a funding gap which will generate a waiting list for major adaptations. The end-to-end process target for service users of 164 days (from the first point of contact with the council to completion and sign off of adaptations) is being reviewed to take account of the current budget allocation.

8.7.4 Housing Advice and Homelessness

8.7.5 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.

8.5.2 The project was unable to confirm a go-live date for the new service as the completion date for refurbishment of Apex House Customer Service Centre was not finalised.

8.5.3 Housing Improvement Programme Board commissioned a review of additional pilot options. An options paper was presented to the 6th June board meeting and it was agreed that the pilot will take place in Wood Green Customer Service Centre (CSC) rather than Apex House. A go-live date of 1 August for the Preventions and Options Service has subsequently been agreed.

8.5.4 Housing are working with Customer Services to develop the new procedures. This will require an additional interview room in Wood Green CSC but the budget for the changes has been agreed. As a result, the traffic lights for this project have improved from red to amber.

8.8 **People Stream Board**

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

8.9 **Value for Money Stream Board**

8.9.1 Procurement Programme

8.9.2 The 2005-7 efficiency target for the Procurement Programme is set at £2 million cashable savings. 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.

8.9.3 The remaining £1 million 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.

8.9.4 However, there are significant concerns over ownership of individual projects that have been identified to deliver efficiency savings. This is having an adverse effect on the ability of the Procurement Programme to deliver its

savings targets. The need for delivery of individual projects has been reinforced through Management Board.

8.9.5 All current projects are not due to deliver until the last quarter of 2006-07 or the first quarter of 2007-08. Given that these projects are at the project initiation stage, the £1 million savings target for 2006/7 is at risk. New areas for efficiencies need to be looked at by Directors and the results will be passed to Procurement Project Board and Value for Money Stream Board.

8.10 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 – the project will need to identify funding for professional fees etc. before committing any further costs this year. The proposed solution for the Council's element of funding for the purchase of land for the new school is a satisfactory way forward.
- Primary Schools – Coldfall – additional funding will need to be identified or savings in the scheme found to finance the additional costs of £50k for the reception and entrance area.
- Primary Schools – Coleridge – the scheme design will need to be reviewed to contain the additional costs within budget.
- Children's Centres – the detailed programme budget and funding statement is required before commencing with phase II of the scheme.
- Housing adaptations – government funding for this was withdrawn for 2006/07 and the Council agreed to put in some of its own resources to maintain a programme in the short term – this will need to be reviewed again as part of this years capital planning process.
- 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 will be a shortfall against the target in 2006/07. This has been reported to Executive in budget monitoring.
- Customer Focus – IT In-sourcing – Executive on 13 July 2006 approved funding for this project in line with the detailed cost plan previously agreed.

10. Use of Appendices

Appendix 1: Programme Highlight Report