

**CEMB
For The Executive****On 27th March 2007
On 24th April 2007**Report Title: **Programme Highlight Report February 2007**Forward Plan reference number (if applicable): **[add reference]**Report of: **The Chief Executive**Wards(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 February 2007.

2. Introduction by Executive Member

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 2006. 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 February 2007. The detailed programme report is shown in appendix 1, with the main highlights shown in the covering report on an exception basis. The covering report endeavours to present a more updated position based on exception information from the February reporting period.

3. Recommendations

3.1 To note the report.

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4. Director of Finance Comments

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

- Regeneration – Tottenham High Road Strategy – as reported to Executive in the last performance report this scheme will underspend in 2006/07. The Council now has written confirmation that the GoL funds can be carried forward in to 2007/8. At a meeting on 12th March the LDA acknowledged their contribution to grant funding delays and the Council now has verbal agreement that the full amount of carry forward funds will be made available.
- Regeneration – GLS site – the financial risk highlighted in the report will be mitigated once the legal agreement recently reported to Executive has been ratified.
- Regeneration – Heartlands Spine Road – negotiations have taken place with National Grid to discuss the possibility of them contributing to the potential additional cost of £0.6m in respect of diversion of a high pressure gas mains. National Grid have indicated that they will look favourably at contributing to any overspend, but this figure cannot be agreed until the full costs are known (presently awaiting tenders).
- Children's Centres – phase 2 planning is underway, the Children's Service is reviewing the business plans and ongoing sustainability of the phase 2 centres before committing further capital resources.
- Equal Pay – Work is progressing on the local negotiations for '**single status**' pay arrangements review (incorporating former manual staff): a Pay and Conditions Proposal has now been submitted to Union representatives and a base budget contingency sum was provided. There may be significant costs arising from backdated or compensation payments and these will need to be contained within either unsupported capitalisation (subject to government approval) and the subsequent additional revenue costs and or the Council's reserves.

5. Head of Legal Services Comments

5.1 There are no specific legal implications to comment on in this report.

6. Local Government (Access to Information) Act 1985

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. Strategic Implications

- 7.1 The programme is the vehicle for the Council to deliver corporately significant projects and projects that are key political priorities. It underpins the Council's corporate planning process, ensuring that the projects we undertake reflect and help to deliver Community Strategy and corporate priorities.
- 7.2 This report provides an opportunity to monitor, challenge and support the Council's key projects to ensure that they finish on time, to budget and deliver the outcomes for the community.

8. Financial Implications

- 8.1 A key driver in developing the programme structure has been to improve financial oversight of the Council's key corporate projects. Accordingly, projects are required to report detailed financial information in their project highlight reports each month and a budget summary for each project is shown in Appendix 1 'Programme Highlight Report'.

9. Legal Implications

- 9.1 There are no legal implications

10. Equalities Implications

- 10.1 This report deals with the way that we manage projects many of which have an impact on different sections of our community. Improved management of these projects will therefore improve the services we provide to all sections of our community.
- 10.2 Specifically, the Business Intelligence project aims, amongst other areas, to capture information on equalities through robust contract monitoring.
- 10.3 The Equal Pay Review is a crucial element towards the Council achieving levels 3 and 4 of the Equalities Standard for Local Government by March 2007. It is important that we have undertaken an Equal Pay Audit and have an implementation plan in place to retain our present standard.

11. Background

- 11.1 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 February 2007.

11.2 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

11.3 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, or 5% of the total budget, whichever is the more appropriate.
- **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, or 5% of the total budget, whichever is the more appropriate.

12. Exception Report

12.1 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.

12.2 Regeneration Stream Board

12.2.1 Tottenham High Road Strategy

12.2.2 The project crosses financial years and expected progress was not achieved in the last quarter of 2006, whilst the approval request was being considered at the LDA. The result was a lower grant claim for that period and we therefore required additional carry over for 2007/8.

12.2.3 Confirmation has now been received from Government Office for London (GoL) and The London Development Agency (LDA) for an extension of the grant funding deadline to June 2007. At a meeting

on 12th March officers were given every assurance by the LDA that carry forward funds will be made available. LDA advised the Council that the quarter 1 claim period (April – June 2007) can be used to reconcile underspend in quarter 4 (January – March 2007).

12.2.4 Growth Area Funds / Community Infrastructure Funds – Greater London Supplies (GLS) site

12.2.5 This project was delayed due to concerns from the Commission for Architecture and the Built Environment (CABE) about the design of the site. This meant that the overall site planning application did not go to the special Planning Application Sub Committee on the 15th January.

12.2.6 This delay has had implications for the GAF2 project as the podium application cannot be considered until after determination of the outline scheme. Negotiations have progressed well between the GLA, CABE, the site owners and the Council to resolve the issues: all parties now appear to be content with the designs.

12.2.7 The outline planning application for the overall site will be considered at committee in May, with the podium full application in the same time frame. The delivery of this project is dependent on the land owner achieving a favourable planning decision.

12.2.8 The programme and expenditure profile for the GAF2 project has now been revised in light of the later submission to planning committee: the new milestones have been agreed by GOL and DCLG. The final outcome and expenditure is still programmed to be achieved by the March 2008 deadline, resulting in a tighter overall timetable.

12.2.9 The funding agreement will be with the Council, but the site is in private ownership. There is a risk that the Council may not be able to achieve the expenditure of the grant because full delivery will always be dependent upon the actions of the landowner and their contractor. A legal agreement has been drawn up to assist in mitigating this risk.

12.2.10 Growth Area Funds / Community Infrastructure Funds – Spine Road

12.2.11 The timescales, risks and budget for this project were showing a red status in February due to problems surrounding the site decontamination. These issues have subsequently been resolved

12.2.12 Legal agreements have now been drafted with National Grid for carrying out the decontamination works. A design strategy is likely to be completed by June 2007 with works commencing on site by mid-July. It is expected that these works will be completed by the end of October 2007.

12.2.13 With the signing of the contract for de-contamination with National Grid it is now expected that the project will be delivered by the March 2008 deadline.

12.2.14 The current estimated cost of these de-contamination works is about £740,000 and the cost of diverting the High Pressure gas mains is nearly £600,000. Negotiations have taken place with National Grid to discuss the possibility of them contributing to the potential additional cost. They have indicated that they will look favourably at contributing to any overspend, but this figure cannot be agreed until the full costs are known (presently awaiting tenders).

12.3 Children and Young People Stream Board

12.3.1 Children's Centres

12.3.2 The Government is committed to delivering a Sure Start Children's Centre for every community by 2010. However there is presently uncertainty as to the long-term revenue funding and income streams for such centres.

12.4 Better Haringey Stream Board

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

12.5 Well Being Stream Board

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

12.6 Housing Stream Board

12.6.1 There are no exception reports for the Housing Stream Board.

12.7 People Stream Board

12.7.1 Haringey Council was able to provide an offer to Trade Unions in time to meet the national Equal Pay deadline of 31st March 2007, The Council is hoping to meet with Union representatives to discuss the offer week commencing 16th April. The possibility of equal pay claims is a higher risk now that the deadline has passed, this is the case whether or not the offer is accepted by all the unions.

12.8 Value for Money Stream Board

12.8.1 There are no exception reports for the VfM Stream Board.

12.9 Customer Focus Stream Board

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

13. Use of Appendices

13.1 Appendix 1: Programme Highlight Report