

Report to the Cabinet

Report reference: C-005-2017/18

Date of meeting: 15 June 2017



**Epping Forest
District Council**

Portfolio: Leader of Council

Subject: Transformation Programme – Highlight Report (March 2017) and Service Accommodation Review

Responsible Officer: David Bailey (01992 564105)

Bob Palmer (01992 564279)

Democratic Services: Gary Woodhall (01992 564470)

Recommendations/Decisions Required:

(1) That the Cabinet note the progress of Projects and Programmes for March 2017, alongside planned actions for April 2017;

(2) That the Cabinet notes the update on the Service Accommodation Review, including the Programme Definition Document, and agrees to proceed with a detailed business case for the option selected by Cabinet in March; and

(3) That, in order to fund the external support for the production of the business case, Cabinet recommend to Council a virement of £120,000 from the capital budget for the purchase of Bridgeman House.

Executive Summary:

Regular highlight reports on the progress of the Transformation Programme are presented to the Cabinet. This is the highlight report for March 2017 and covers progress for all chartered projects of Medium and High Risk Potential, as well as key aspects of the Transformation Programme. Overall, progress indicators for 'cost' and 'benefits' were Green for this period. The indicator for 'time' was Amber to highlight that 1 action from a total of 194 actions was overdue. The indicator for 'delivery / outcomes / outputs' was Amber to highlight that 2 projects were on hold.

The first stage of the Accommodation Review was concluded on 9 March when Cabinet considered a number of strategic outline cases. The preferred option involves a re-configuration and refurbishment of the new building and freeing up the Condor building, 323 house and the rear extension for re-development. Whilst the outline case set out income and costs at a high level a more detailed business case is required to establish a sequential costed programme of works, a clear time line and the indicative layout and number of workstations to be provided.

When the purchase of the former police station in Waltham Abbey was being evaluated it became clear that the purchase of Bridgeman House was not going to proceed and so the £297,000 included in the Capital Programme was available to be re-allocated. As the Accommodation Review has now reached the detailed feasibility stage it can be funded from capital and it would seem sensible to re-allocate a budget that is no longer required instead of

seeking a supplementary estimate.

Reasons for Proposed Decisions:

To inform Cabinet of progress on the Transformation Programme, including workstreams, programmes and projects.

To take forward the Accommodation Review to achieve the stated objectives of the Cabinet, external support and funding for this support is necessary.

Other Options for Action:

No other options are available. Failure to monitor and review progress of the Transformation Programme and to consider corrective action where necessary, could have negative implications for the Council's reputation, and may mean the opportunities for improvement were lost.

Cabinet could decide not to progress the Accommodation Review or to progress the review but fund it in some other way. If the review was not to be progressed it would mean foregoing the opportunity to transform the Council's accommodation and working practices, so this is not recommended.

Capital funding could be provided through a supplementary estimate although this is not recommended as sufficient resource exists within the current Capital Programme.

Report:

Transformation Programme Monitoring Report

1. This is the March 2017 Highlight Report for the Transformation Programme. The format of the report has evolved in order to remain an effective tool for highlighting progress, slippage and remedial actions being taken.
2. The report covers progress for the 39 chartered 'live' projects with Medium or High Risk Potential, as well as progress on key aspects of the Transformation Programme.
3. The Cabinet is requested to review progress for March 2017, alongside actions scheduled for the next period and any remedial actions being undertaken.
4. The highlight report uses the RAG rating, based on Red, Amber and Green colours used in a traffic light system. The definitions of the RAG ratings are:

<i>Light</i>	<i>Definition</i>	<i>Action</i>
Red	<p>There are significant issues with the project, programme or workstream.</p> <p>The project requires corrective action to meet business objectives. The issue cannot be handled solely by the project manager or project team.</p> <p>One or more aspects of project viability – time, cost, scope – exceed tolerances set by the Transformation Programme Board.</p>	<p>The matter should be escalated to the project sponsor and Transformation Programme Board immediately.</p>

Amber	<p>A problem has a negative effect on project performance but can be dealt with by the project manager or project delivery team.</p> <p>Action is taken to resolve the problem or a decision made to watch the situation.</p> <p>One or more aspect of project viability – time, cost, scope – is at risk. However, the deviation from plan is within tolerances assigned to the project manager.</p>	<p>The Transformation Programme Board should be notified using a progress report or scheduled briefing with the sponsor.</p>
Green	<p>The project is performing to plan.</p> <p>All aspects of project viability are within tolerance. However, the project may be late or forecast to overspend (within tolerance).</p>	<p>No action needed.</p>

5. Overall, transformation progress status indicators remain Green for ‘cost’ and ‘benefits’.

6. The status indicator for ‘time’ is reported as Amber to highlight that 1 action (from a total of 194) is overdue when compared with planned timelines.

7. The status indicator for ‘delivery / outcomes / outputs’ is reported as Amber to highlight that 2 projects (from a total of 39) are effectively currently ‘on hold’ due to the impact of staff absences. These projects should restart when recruitment has been completed.

8. Aside from the projects referred to above, Project and Programme Managers have actions in place to deal with any potential negative effects. The deviation from plans for the vast majority is within tolerances, most often within one calendar month. It is anticipated that the status of the majority of these items will return to Green by the end of the next period and progress will be kept under review.

9. Appendix 2 contains the highlight report for March 2017. Any project closures are also noted.

Service Accommodation Review

10. The Cabinet has previously stated a desire to reduce the size and cost of the current office accommodation. This initiative is one of the key parts of the transformation programme and links to the review of customer service and the move to more flexible and mobile working. There is also a link to the emerging local plan as if part of the site can be re-developed this will help minimise the loss of green belt land to meet housing need.

11. On 9 March Cabinet considered several different strategic outline cases for the office accommodation. The options ranged from re-developing the whole of the current site and fully re-locating the offices to more limited refurbishments and partial re-developments. The option favoured by Cabinet was to retain the new building and seek to free up the Condor building, 323 House and the rear extension for re-development.

12. To take forward the accommodation review a more detailed business case is necessary to set out a sequential programme of works with more detailed costs and indicative layouts to give clarity on the possible number of workstations and any potential shortfall in accommodation. This will enable Members to decide if they want to proceed to the implementation stage and make appropriate provision in the 2018/19 Capital Programme.

13. The Director of Resources and the Head of Transformation have undertaken some soft market testing with three potential suppliers. It is evident from these discussions that all three are interested in performing this work and an approximate cost has been suggested of around £100,000. An Invitation to Tender was prepared and has been approved by the Transformation Programme Board. The document was then shared with Portfolio Holders to give them the opportunity to comment and a version incorporating those comments was issued to the three potential providers on 23 May. A deadline of 15 June has been set for the return of tenders and it is intended to hold interviews with the three potential providers on 22 June. This should allow for the award of a contract by mid-July and for the work to be completed in line with the requirements of the 2018/19 budget cycle.

14. The Accommodation Review is part of a wider programme looking at Service Accommodation and a draft Programme Definition Document has been provided as Appendix 2. This document sets out the various projects that make up the overall programme and how they relate to each other. Member's views on the document are invited as it is important at this stage to ensure the objectives and vision have been understood and articulated.

Resource Implications:

Resource requirements for actions to achieve specific outcomes or benefits will have been identified by the Transformation Programme Board and reflected in the budget for the year.

As mentioned above, broad fee indications have been provided of approximately £100,000. However, it is felt prudent to allow a budget of £120,000 to provide a contingency for any additional work requested by Members and to cover the possibility of actual quotes being higher than the initial estimates. As the strategic decision on the Accommodation Review has been taken, the next stage of the review is less speculative and could now reasonably be regarded as capital expenditure.

The Capital Programme currently includes a budget of £297,000 for the purchase of Bridgeman House. When the budgets were being compiled negotiations for this property were still ongoing but it has now become clear that this transaction will not proceed. Given that this budget is now available to be re-allocated a virement to cover the accommodation review seems more sensible than further over inflating the programme with a supplementary estimate.

Legal and Governance Implications:

Relevant implications arising from Highlight Report actions to achieve specific outcomes or benefits will have been identified by the Transformation Programme Board.

The Council's Constitution allows virements between capital schemes but requires that virements over £100,000 are approved by Full Council.

Safer, Cleaner and Greener Implications:

There are no implications arising from the recommendations of this report in respect of the Council's commitment to the Climate Local Agreement, the corporate Safer, Cleaner and Greener initiative, or any crime and disorder issues within the district. Relevant implications arising from actions to achieve specific projects will have been identified by the Transformation Programme Board.

Consultation Undertaken:

Progress has been reviewed by the Transformation Programme Board.

The Assistant Director of Community Services has been consulted and commented as follows – *“Bridgeman House purchase is certainly not going ahead, but as mentioned, although we do not have any ‘immediate’ use for the funding, we are actively looking for premises to potentially relocate staff from Hemnall Street to and indeed, space in Waltham Abbey, to store our museum reserve collection for the long term, to save ongoing revenue costs of rental.”*

Background Papers:

Progress submissions and relevant supporting documentation is held by the Programme Management Office (PMO).

Report to March 2017 Cabinet (C-067-2016/17).

Risk Management:

Relevant Highlight Report issues arising from actions to achieve specific projects will have been identified by the Transformation Programme Board.

The use of appropriate external support in constructing the business case reduces the risk that the solution may be delayed or may ultimately not be deliverable.

Equality Analysis:

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in the consideration of this report. The equality information is provided as an Appendix to the report.

Equality analysis report

Step 1. About the policy, service change or withdrawal

Name of the policy, service or project: <i>be specific</i>	Transformation Programme – March 2017 Highlight Report and Service Accommodation Review
Revised / new / withdrawal:	New
Intended aims / outcomes/ changes:	That the Cabinet note the progress of Projects and Programmes for March 2017, and specifically the Service Accommodation Review
Relationship with other policies / projects:	All
Name of senior manager for the policy / project:	Glen Chipp, Chief Executive
Name of policy / project manager:	David Bailey, Head of Transformation

Step 2. Decide if the policy, service change or withdrawal is equality relevant

Does the policy / project / service process involve, or have consequences for employees or other people? If yes, please state who will be affected. If yes, then the policy / project is equality relevant.	If yes, state which protected groups:
If no, state your reasons for this decision. Go to step 7.	If no, state reasons for your decision:
<i>The majority of Council policies and projects are equality relevant because they affect employees or our communities in some way.</i>	No. Any equalities impact assessment for individual projects or programmes is detailed on the respective reports.

Name and job title of officer completing this analysis:	David Bailey, Head of Transformation
Date of completion:	16.05.2017
Name & job title of responsible officer: (If you have any doubts about the completeness or sufficiency of this equality analysis, advice and support are available from the Performance Improvement Unit)	David Bailey, Head of Transformation
Date of authorisation:	16.05.2017
Date signed copy and electronic copy forwarded to PIU equality@eppingforestdc.gov.uk	16.05.2017

Transformation Programme Highlight Report

<i>Report</i>	<i>Period</i>
15	March 2017

Approval

<i>Approved for submission to the Cabinet (Sponsoring Group), given by</i>	Cabinet Agenda Planning Group	<i>Date</i>	23.05.2017
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Distribution list

<i>Name</i>	<i>Job title</i>	<i>Directorate / Department</i>	<i>Organisation</i>
Membership	Transformation Programme Board	-	EFDC

Overall transformation programme progress and status

	<i>RAG status</i>		<i>Comment on overall progress and status and recommended actions</i>
	<i>This period</i>	<i>Last period</i>	
Time	Amber	Amber	1 milestone overdue but under control from a total of 194 actions
Cost	Green	Green	
Delivery / outcome / output	Amber	Green	2 projects
Benefits	Green	Green	

Accountabilities and information flow: Project closures

<i>Workstream / Project</i>	<i>Progress to report</i>	<i>Actions for next period</i>	<i>Due</i>	<i>Owner</i>
Workstreams	TPB agreed project closures: P046 Propman Property Management System	TPB consider project closures: P118 Oakwood Hill Depot	Jun 2017	Chief Executive

Highlight: Overdue actions for this period and remedial actions for the next period

<i>Key Benefit</i>	<i>Actions Overdue</i>	<i>Planned Date</i>	<i>Remedial Actions</i>	<i>Due Date</i>	<i>Ownership</i>
Workstream 1 – Customer Experience					
P134 Self-Service for License Applications					RPA: High
<ul style="list-style-type: none"> ▪ Increased customer satisfaction through self-service licence applications (B1) ▪ Increased efficiency through reduced paper licence applications (B2) ▪ Increased efficiency through electronic payment processes (B4) 	Project Manager has been unable to provide regular progress reports from January 2017, due to staff sickness absence and other urgent work issues. The last report was completed by oral interview, but staff absence remains an issue	Jan 2017	TPB to consider placing project on hold, whilst recruitment is completed. Review Aug 2017	Aug 2017	Project Manager: Licensing Manager Project Sponsor: Assistant Director – Neighbourhoods
Workstream 2 – Business Culture					
P108 Shared Service Review					RPA: High
<ul style="list-style-type: none"> ▪ Increased identification of opportunities for shared services with good strategic fit ▪ Reduced service costs whilst meeting or 	Project on hold due to staff vacancy and officers working on other priority projects	Mar 2017	TPB to consider placing project on hold, whilst recruitment is completed. Review Jun 2017	Jun 2017	Project Manager: Head of Transformation Project Sponsor: Chief Executive

<i>Key Benefit</i>	<i>Actions Overdue</i>	<i>Planned Date</i>	<i>Remedial Actions</i>	<i>Due Date</i>	<i>Ownership</i>
exceeding current service levels					
P126 Modern.Gov Report Management Functionality					RPA: Medium
<ul style="list-style-type: none"> ▪ Increased efficiency through integrated report management system (B2) ▪ Improved use of chief officer time and resources through cessation of formal Cabinet APG meetings (B2) 	Implementation of report management functionality is on hold to allow a period of transition following the externalisation of server hosting at the end of 2016. Completed business case for this project was scheduled for March 2017	Jan 2017	<p>PID is scheduled to be presented to TPB in May 2017.</p> <p>TPB to consider suitable options for remedial action</p>	Mar 2018	<p>Project Manager: Democratic Services Manager</p> <p>Project Sponsor: Director of Governance</p>

Document control

<i>Version</i>	<i>Date</i>	<i>Status (draft, approved)</i>	<i>Author</i>	<i>Change description</i>
1.0	03.03.2017	March draft	Monika Chwiedz, Performance Improvement Officer	Draft
2.0	07.03.2017	March draft	David Bailey, Head of Transformation	Draft
3.0	14.03.2017	March draft	Transformation Programme Board	Draft
4.0	16.05.2017	March draft	Transformation Programme Board	Updates

*** End of Report ***