

MONITORING REPORTS - PROJECTS

Executive Summary

The Executive receives regular reports on the progress of projects in the interests of financial prudence and to ensure open and transparent corporate governance.

This report provides an update of progress on developments to the Council's project management methodology, assurance, processes, and reporting.

A report detailing the status of projects as at the end of December 2021, incorporating capital and revenue projects is presented to the meeting of the Executive on 3 February 2022. The report incorporates developments highlighted in this progress report.

There are no specific areas for concern or action by the Executive.

Recommendations

The Executive is requested to:

RESOLVE That

the report be received and project changes recorded in Appendix 1 to the report be approved.

Reasons for Decision

Reason: To monitor progress on development to the Council's project management approach.

The Executive has the authority to determine the recommendation(s) set out above.

Background Papers: None.

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1.0 Introduction

- 1.1 The undertaking of projects is an integral part of Woking Borough Council (WBC) business delivery, and a significant amount of Council resources are allocated to their successful completion. Project management processes have therefore been developed and maintained to bring consistency to how projects are managed, and to aid the project manager in delivering projects on time, to budget and to the desired standard.
- 1.2 The process has been structured to be flexible and user friendly so it can meet the specific needs of the Council. It has been designed to add value to officers who are leading on projects and support the development of a common standard and capability; its primary objective is to complement the WBC can do culture, not compromise it.
- 1.3 Every WBC project, regardless of size or type, is required to follow the WBC project management method which is based on the principles of PRINCE2 project management methodology, which is regarded as the best practice approach when implementing projects.
- 1.4 In response to the Corporate Plan priority Effective Use of Resources, the developing Medium Term Financial Strategy and in response to peer reports and learning from best practice, we are developing our project management practices so that we continually improve, use resources wisely and drive out benefits from our investment into project activity.

2.0 Progress Update

- 2.1 The key activity since the last report to the Executive of 18th November 2021 has been:
 - The Project Support Office has met with every project manager to discuss project progress and assess performance.
 - Project portfolio reports have been produced and presented to CLT as part of the quarterly Corporate Programme Board meetings.
 - Initial development is underway to move the SharePoint project monitoring system from on-premises to cloud hosted as part of the Microsoft Office 365 project.
 - Investment Programme items have been scrutinised against current active WBC projects.
- 2.2 The detailed project status is contained within the project monitoring report at Appendix 1. The key points to note from this schedule are:
 - There are 49 projects in delivery and at practical completion, of which:
 - 71% (34) projects are green.
 - 21% (10) projects are amber.
 - 8% (4) projects are red (2) of these include forecasted budget overspends which are reported as exception items in point 3 below.
 - There are 4 projects that have been closed in the period. Projects that have been closed during the period are not RAG (Red: Amber: Green) rated as this rating relates to projects in delivery. For projects that have been closed the report highlights with a blue shading where the project has exceeded the end date and / or where actual project costs exceeded planned project costs.

3.0 Exception items

- 3.1 In accordance with Financial Regulations, the following projects are being reported to the Executive because project costs exceed the original or approved revised budget by the greater of £10k or 5%.
- 3.2 Project No. 20124. Woking Integrated Transport. First time on the exception report at 21/01/22 Executive. (15.8%, £30,851,000). A detailed explanation as to why this project is red is as follows:

The WITP project was initiated to deliver significant highway network improvements including enhanced traffic flows in the town centre area making it safer for pedestrians and cyclists and stimulating economic growth in Woking town centre. Funding of £11m was secured from the Enterprise M3 LEP and further additional income was secured from the County Council. A range of benefits and enhancements have been secured which has delivered on the objectives of the project including the extensive resurfacing of the town centre road network, public art and other environmental improvements.

A full reconciliation of the project commissioned by the Director of Planning has now been completed and confirms the expenditure and financing for the project. The reconciliation has also identified additional works which were beyond the original scope of the project.

The budget required to deliver the revised scope for the project is £30.851m. This represents an additional £4.199m over the original budget of £26.651m. £2.189m of this additional spend is attributable to additional roads and footpaths being repaved –these works, undertaken during the covid lockdown, were achieved with excellent value for money. £2m is attributable to other costs including un-foreseen business disruption compensation events of (£898k) and upgraded street lighting to ensure the scheme integrated with the surrounding area (£634k).

Further to the reconciled position reported in this note, an additional £172k is required to complete the highway works including the installation of rising bollards an access control mechanisms.

The Executive will be aware from previous project reporting in 2021/22, that CLT established itself as the Corporate Programme Board in order to gain visibility and oversight of all key change activity including project management. It is through this Corporate Programme Board oversight that the need for a detailed reconciliation of the budget was commissioned and delivered.

The mechanisms and oversight established through the Corporate Programme Board ensure appropriate controls are in place to authorise changes to project scope and budget for all project and programmes.

All of the spend, apart from the £172k required to complete the highways works (reported above), is spent and committed. The Executive are therefore requested to recognise and approve the enhanced scope and revised budget as reported in the attached Appendix 1 for this scheme.

- 3.3 Project No. 20209. Duke's Court Plaza. First time on the exception report at 21/01/22 Executive. (8.7%, £4,916,756)

4.0 Corporate Strategy

- 4.1 The review of project management is in support of the corporate plan priority of Effective Use of Resources.

5.0 Implications

Finance and Risk

5.1 There are no financial implications arising from this report.

Equalities and Human Resources

5.2 No specific Human Resource or Training and Development implications arising from this report. Additional project management training is being scoped and assessed and will be considered subject to costs and budget provision.

5.3 There are no equalities implications.

Legal

5.4 There are no legal implications arising from this report.

6.0 Engagement and Consultation

6.1 None.

REPORT ENDS