

## **REPORT OF THE LEADER OF THE COUNTY COUNCIL**

### **DELIVERING AND ASSURING MAJOR PROGRAMMES OF WORK – PLACE DEPARTMENT**

#### **Purpose of the Report**

1. To seek Policy Committee approval to establish a flexible pool of resource, to support the delivery of the significant levels of Major Capital Projects currently experienced by the Place Department.

#### **Reason/s for Recommendation/s**

2. 2018 sees an unprecedented volume of complex Major Projects approved and/or in delivery within the Place Department. Projects with a delivery value in excess of £196m running from now until beyond 2023 with other projects coming on stream during this period.
3. Against a backdrop of shrinking Central Government Funding for Council services it is imperative the Department maximises opportunities for regional growth and investment at this significant scale. Pursuing income opportunities for the Council and driving growth within the County and the wider East Midlands is essential. Securing the investment and resulting economic and housing growth is a fundamental tenet of the long term financial resilience of the Council.
4. The successful delivery of these reputationally significant programmes of work is key to the Council achieving its ambitious growth targets, as identified in the Place Departmental Strategy and the Council Plan 2017 – 2021, Your Nottinghamshire, Your Future.
5. Delivery of this volume of high profile programmes will present increased demands on organisational capacity. Whilst a constant stream of capital projects are routinely experienced by the Department, funded and delivered as business as usual, the currently experienced level, including A52, A614 – major improvement scheme, and the Lindhurst Development scheme along with other significant highway and property projects for delivery across the period 2018-2023 significantly exceeds this.
6. These projects include complex partnerships arrangements, in some instances NCC is the lead Partner in others a key strategic partner, the impact of any potential reputational damage should projects not deliver or not be alert to delivery problems in a timely manner is significant. Consequently assurance of these projects is a priority for the Council.

7. The Department faces the challenge of delivering and assuring these high profile schemes whilst maintaining business as usual and, as a result of the growing financial pressure on the Council, sustaining the ongoing need to identify and realise savings within the Department.
8. The Department is implementing an enhanced operational reporting structure, bringing the reporting of activity across these projects in line with the Programme and Project assurance across other areas of the organisation, utilising a Project Management Office (PMO) function to challenge and assure delivery. Including the establishment of a Major Programmes Board, where the Senior Leadership of the Department along with representative from Finance, Programmes and Projects, Legal and HR will assure progress and respond to risks and issues in a timely and transparent manner.
9. Corporate Services will experience increased levels of demand as a result of this programme, specifically Legal, Finance and Comms. Whilst funding to support a usual level of capital projects is allocated from existing budgets, the scale and complexity of work proposed currently during the period 2018-2023 will require additional resource.
10. It is proposed that the resource required should be able to flex to meet the currently experienced level of demands within the projects, rather than increasing the permanent staffing establishment and budget. The model proposes an increase in the resources available within the Programmes and Projects team from which allocations will be approved by the existing Project Management Office (PMO) approval processes
11. Where possible current staff will be identified from the services with the relevant skills and experience to “hit the ground running” with the funding requested providing back fill. This will ensure appropriately skilled individuals are available when required and will reduce the risk/costs to the organisation of increasing the permanent establishment to support these peaks in delivery. In some cases additional fixed term recruitment will be required.
12. The funding of additional Legal and Architectural costs associated with these projects can be capitalised if they are directly attributable to bringing the asset into operation, therefore an amount of funding from within project budgets will be earmarked to cover these costs.
13. The provision of Communication, Finance, Project and Programme Management to the schemes as well as some types of Legal support require additional funding which cannot be provided from within the Capital Budget.
14. The resources are required to fill a capacity and skills gap currently experienced in light of the significantly increased level complex project activity within the Place Department. As part of the wider restructure of the Property function the ongoing level of need for these posts will be considered and where resource or budget is identified it will be re-allocated to support delivery from within the service.
15. It is requested that contingency funding of up to £100k is made available for the remainder of 2018/19 with up to £650k per annum for 2019/20 and 2020/21.

## **Other Options Considered**

16. To not approve the additional resource requested to support the delivery of these major projects would impact on the success of delivery. Without this capacity and assurance the organisation would run the risk of delivery failure and the significant associated reputational damage.

## **RECOMMENDATION/S**

It is recommended that Policy Committee:

1. Acknowledges the need for the additional resource to support the delivery and assurance as detailed within the report.
2. Approves the flexible resourcing model required to ensure the delivery and support of these current major projects.
3. Approves that funding of up to £100k for the remainder of 2018/19 and up to £650k per annum for the period 2019/2020 and 2020/2021, be made available from contingency to fund the resource required to deliver and assure the major projects within the Place Department.

**Councillor Mrs Kay Cutts MBE**  
**Leader of the Council**

**For any enquiries about this report please contact:**

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### **Constitutional Comments (SSR 22/11/18)**

17. The recommendations set out in this report fall within the scope of decisions which may be approved by Policy Committee

### **Financial Comments (GB 22/11/18)**

18. The financial implications are set out in the report.

### **HR Comments (JP 23/11/18)**

19. The HR service will advise and support in the provision of resources arising from the report.

### **Background Papers and Published Documents**

None

**Electoral Division(s) and Member(s) Affected**

All