

## Mazars Review of the Housing for Older People Project

### ACTION PLAN

Issue	Response
Business case development	<p>It is noted that the auditor identified that good practice was followed when setting out the new programme for Older Persons' Accommodation.</p> <p>It is agreed that we need to take a more systematic approach to business case development and in response to the audit the Council has set out an updated project management approach which follows Treasury good practice and will assure and monitor this via use of the Council's Project Management system, Verto.</p>
Governance	<p>It is noted that the new Transformation Board structure has gone some way to deliver the appropriate levels of governance and the updated Project Managers' Guide, combined with the Verto reporting process, will ensure that governance is appropriate going forward.</p> <p>It is noted that the governance structure for the Older Persons Accommodation Programme is seen by the auditor as being in accordance with good practice.</p> <p>It is agreed that explicit governance arrangements need to be in place for all major projects with engagement at various levels and with the relevant issues. The oversight of key risks and mitigations by both the Council Management Team and the Executive will deliver this.</p>
Programme management	<p>The Council welcome the conclusion that the Older People Project was well managed despite limited experience in competitive dialogue procurement.</p> <p>It is noted that the auditor has not identified any serious concerns with regard to the conduct of officers.</p> <p>It is agreed that the Council will further strengthen procurement advice and expertise and endeavour to deliver consistency in programme leadership.</p> <p>It is agreed that contingency plans need to be developed for major projects.</p>

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Risk management	<p>The comments regarding governance of risks are noted, as is the acceptance by the auditor that this has improved with the introduction of Verto. The Project Managers' Guide further emphasises the importance of the identification, mitigation, management, oversight and escalation of the risks associated with major projects.</p> <p>The Council will strengthen its approach to risk management, logging and escalation, making best use of the existing Risk Manager role, drawing upon best practice from other authorities.</p>
Communication	<p>The Council welcome the positive comments of the auditor regarding consultation and stakeholder engagement during the setting of the strategic direction for the Older Peoples Project but notes that this good foundation was allowed to fall into neglect in the later stages of the procurement.</p> <p>However, it is noted that the new plan for Older Persons' Accommodation have been welcomed by stakeholders and the Council commit to continue with proactive engagement.</p>

## Key Developmental Improvements

1. The updated Business Case Process, as set out in the Project Managers' Guide, will be applied to all projects with different levels of control based on complexity and impact. The Summary of this process is attached at **Annex 1**. The process prompts re-evaluation of the business case when there are significant changes in either or internal or external environment. A Project Managers' Guide has been produced and relevant and senior staff will be trained in the use of this process.
2. The Business Case Process is controlled by use of the Council's Project Management System, Verto. Verto imposes vigilance regarding project scope, milestones and risks and prompts the provision of regular Highlight Reports to CMT and the Executive. Verto will be used by all major projects across the Council.
3. The Council will strengthen its approach to risk management, logging and escalation, making best use of the existing Risk Manager role and drawing upon best practice from other authorities.
4. The new major projects in progress at any one time and from across the authority will be identified, will be progressed through the appropriate

“gateways” in accordance with the Business Case Process and monitored via the strictures of Verto. The regular Verto report on all major projects will be honed to provide an update on progress, the identification of key issues, the highlighting of changes in key timescales and key risks. This report will be used to provide to the Executive with a regular update on the major projects.

5. Major projects will be appropriately resourced. The Council is aware of the need to balance prudence alongside ensuring that the correct resources are available to deliver major programmes of work. The preference is to use in-house resources where possible, as this is financially prudent and allows for skill development of existing staff. However, external resource will be used where it is justified. Project Management will be resourced according to each project resource plan. For the Older Persons’ Accommodation Programme the cost of project management has been identified in the financial model for the project and the Council will endeavour to ensure consistency of management.
6. The management of the affordability risk for projects is key. Major Projects will be structured so that they are able to draw upon financial, operational and commercial expertise at an early stage. The Business Case Process requires the articulation of economic and financial issues as well as associated risks to produce a robust business case. For example, the Project Team for the current Older Persons’ Accommodation Programme includes staff from Finance, Property and Housing as well as Adult Social Care operations and commissioning.
7. Soft market testing will be used to test out risk and gauge market interest in any procurement opportunity. For the new iteration of the Older Persons’ Accommodation Programme officers have met with potential service providers and developers in order to seek their view on viability, commerciality and market appetite. Their feedback has helped to shape the new plan.
8. The Business Case Process requires projects to identify alternative and credible options for key steps (“Plan B”s). However, this is tempered by the need not to confuse the desired line of direction; judgement will be required. By way of example, the current Older Persons’ Accommodation Programme ensures that, in relation to the building of an extension to Glen Lodge, an alternative source of funding is available should Homes & Communities Agency grant not be forthcoming.

9. Key project have a CMT sponsor and, via the relevant Portfolio holder, an Executive lead too. This aids wider council linkages. For example, the Older Persons' Accommodation Programme is sponsored by the Director of Adult Social Services with the Executive Portfolio for Adult Social Care and Health achieving linkage with the wider Executive.
10. With regard to the Older Persons' Accommodation Programme regular update reports will be taken to the Health and Wellbeing Board, the Health and Adult Social Care Policy and Scrutiny Committee and to partners in the Clinical Commissioning Group and voluntary sector.
11. The Council's Procurement Guide will be updated to describe different approaches to procurement, typical timescales and how to ensure appropriate technical support.
12. With regard to the Older Persons' Accommodation Programme The Council welcomes the recognition that good practice is already in place and commits to following the recommendations relating to programme management and governance, in particular:
  - ✓ A Business Case will be presented to Executive on 30<sup>th</sup> July 2015.
  - ✓ An updated risk register and risk assurance profile has been produced.
  - ✓ Monthly update reports are produced via the Verto system and these are shared with CMT and others.
  - ✓ The Programme has a communications plan which will ensure that communication with stakeholders will continue throughout the procurement process.
  - ✓ Executive, when they meet on 30<sup>th</sup> July 2015, will be asked to approve a Programme Management budget.
  - ✓ The financial model for the Programme is now in place (and was developed in-house).
  - ✓ The Adult Social Care Policy and Scrutiny Committee and The Health and Wellbeing Board will be fully engage in oversight of this Programme.

### CYC Project Management Approach

