Audit and Governance Committee

Report of the Programme Manager for the Chief Executive

Programme/Project Management Update

Summary

1. The purpose of this report is to present to the Audit and Governance committee an update on the project management framework, to update on areas of the framework that are being strengthened and to provide an update on the Major projects, as agreed at Audit and Governance Committee on the 23rd September 2015.

Background

2. The council undertakes a large amount of programme and project management and there is a necessity to ensure that there is an ongoing drive to maintain the standards that have previously been set and to strengthen areas where required.

3. In the context of reducing resources there is a challenge to ensure that the management of programmes and projects is as efficient as possible. This includes the project management approach and the governance, decision making and assurance.

Programme Management

4. In order to control the delivery of projects they are organised programmes. Programmes encapsulate the required outcomes that deliver the council's strategic objectives whilst the projects within the programmes deliver the outputs that contribute to the outcomes. City of York council operate the Managing Successful Programmes methodology (MSP).

5. It is important to have a sound programme management approach in place in order to manage overarching issues relating to the delivery of

projects, such as alignment to corporate objectives, benefits realisation, resourcing and importantly prioritisation.

6. It is an ongoing issue for the council ensuring that projects are in place to meet expectation whilst ensuring that there is enough resource to deliver those projects. This has been a challenge as the council budgets have reduced, so it is particularly important to put in place a hierarchy of programmes that includes a formal link into the management of support services that will be required to work across projects. The programme structure is currently under review and a structure will be created around a corporate programmes/projects board.

7. Council Management Team (CMT) will act as the corporate programmes/projects board and the Major projects, including the Future shape and size projects (which cover the majority of transformational work) will be part of the business of this board. Corporate programmes/projects board CMT will take a regular CMT agenda every two months and updates will be taken to the regular CMT meetings where required by exception.

8. The Project Assessment Matrix (see **Annex B** this is a document from the All About Projects (AAP) framework) will be used to score a project and this will be held in a Directorate project register. There will be ongoing assessment of the expected outcomes of projects, that will roll up to programmes and the result will be a mechanism that will allow decisions on reprioritisation and ensure that the council is running realistic and achievable projects.

9. Programme leads have been identified within Directorates to oversee the Directorate programme and to work together to on corporate alignment and issues. There is an ongoing review to ensure that programme briefs and terms of reference are up to date for the programme boards.

10.For Directorates the programme brief will form part of the Directorate service plans and will be refreshed on an annual basis to reflect the priorities within the Directorate.

Programme Assurance

11.The role of programme and project assurance is there to measure the likelihood of success and to put in place recommendations for improvement. Work is ongoing to strengthen programme assurance and make the process more efficient.

12. A programme assurance group is in the process of being set up with the Directorate programme leads as the members and will include support leads from HR, Finance, ICT, audit and external peer support where required.

13. The Directorate programme lead would be responsible for the project register in their Directorate and be able to actively contribute in terms of assurance of corporate alignment and issues. Examples of activities of this group will be:

   - Ensure that assurance arrangements are in place for projects in their Directorate.

   - Support Project assurance on projects within their Directorate bringing forward recommended interventions to the Project Sponsors where required.

   - Make recommendations on interventions to their Directorate Management Team (DMT) on programme assurance

   - With the rest of the Programme assurance group, make recommendations on interventions or improvements to CMT.

   - Ensure that large and medium sized projects are working to the AAP framework (implicit in this is sound business case, planning, risk and resource management).

   - Keep a register of large and medium sized projects by programme where appropriate.

   - Oversee the gateway process.

   - Keep sight of the resource picture and ensure that commitments aren't duplicated.

   - Ensure that the necessary governance is in place and documents relating to the governance (e.g. Terms of reference) are up to date.

14. The role of corporate programme assurance has also been assigned in order to be the overall point of contact and to lead the programme assurance group.

Projects

15. In order to ensure that projects are managed and delivered with the appropriate level of assurance, in December 2015 the council introduced the All About Projects (AAP) framework to this committee. The AAP framework has been developed based on industry standard best practice (including Prince2) as a robust but flexible model for project management at CYC.

16. Within the framework a project is defined as a 'temporary group activity designed to deliver one or more product, service or result according to a specified business case.' In other words:
    - A project is temporary – it has a clear start and end date, and therefore defined scope and resources
    - It has specified deliverables (services or products) that can be measured
    - It has a number of tasks to deliver those services or products
    - A project is unique - it is not a routine operation (business as usual), but a specific set of operations designed to accomplish one or more goals
    - A project team often includes people who don't usually work together – sometimes from different organisations but always with clear roles and responsibilities.

17. The following are areas that have been further developed to strengthen our project management approach in the last 4 months (January to April):

    - The Discovery phase is an important pre-project phase where the problem is shaped, knowledge is gathered in order to examine what the council do and what others do (including best practice), ideas are scrutinised and prototyped and proposals are brought forward in order to seek a mandate to move to developing a business case. A key point is that there is no live project at this stage. It is important to embed the thinking and practices around this phase into the everyday business of services areas. This will create a culture that is more responsive to change. There is now more detailed guidance on the Discovery phase.

    - Business case development forms the backbone of the new framework and its evolution and the accompanying options presentation and appraisal are important to an efficient journey

through the framework. Key is ensuring that the business case has a sound foundation and that its development from Strategic case, through to Outline case to Full case is clear.

- Gateway points have been built into the framework to ensure that necessary approval, resource and documentation is in place and the risks are understood in order to move to the next phase of the AAP process.

- The framework is designed to allow an iterative approach to the design and implementation of the products in the projects.

- The framework is flexible in order to cater for different sized projects and during the pre-project phase a project assessment matrix is used to judge the scale of a project (this involves political, financial, etc, criteria). **Annex B** shows the matrix that is used to assess projects.

- Project reporting will be tied closely to the council's performance management framework and Major project reporting will be tied closely to performance reporting.

- Built into the framework are pointers to assist teams with impact assessments during the project (e.g. Communities Impact Assessment (CIA), One Planet Living Impact assessment, Privacy Impact Assessment (PIA)). Work is ongoing to develop an "integrated" impact assessment approach which ensures that the appropriate evidence base is being gathered to consider various impacts and that the process is efficient and joined up.

18. Alongside the new framework the existing project management system, Verto, is being reconfigured to support the new framework. This will be complete mid May 2016.

19. **Annex A** provides an update on the Major projects. Within this updates additional information on lead Councillor, Directorate, dependencies and links to reports.

20. The Major project list is still in development and is provided to inform the committee in performing its role of risk and assurance of the project management approach. Executive is responsible for scheme financing/policy and Scrutiny will perform detailed reviews of any relevant project.

Implementing the AAP Framework

21. The implementation of the AAP framework has been done in stages over the last 8 months. This has included:
    - The development of documentation and guidance to support the framework (released to Audit and Governance in December 2015)

    - The embedding of the AAP framework into the "Introduction to projects" course run by the Workforce Development Unit.

    - Focused demonstration of the framework and the Verto project management system with senior officers, members and key project staff

    - Communications via management teams (including the Service to City group) to cascade to teams, Intranet and Buzz and through the network of staff involved with project management across the council.

22. A key element is the reconfiguration of Verto to support the new framework. In the last 3 months amendments have been made to the framework to further strengthen the discovery phase and the gateway process. Verto is being amended to reflect these changes and it is expected that the changes will be in place by mid May 2016.

23. A plan is in place to move projects into Verto, if they aren't already in the system, now it has been updated to reflect the new AAP framework fully. This will be complete by the end of June 2016.

Resourcing

24. There is a requirement to ensure that there is in place the appropriate level of resource to work on projects and the resources to support the project management framework. It is imperative that when the business case is being developed that any resource that impacts on the project is considered whether that is a direct resource, such as a Project Manager, or an indirect resource, such as HR Business partner.

25. Resource plans, developed on a project by project basis, will be rolled up to programme level in order to manage pinch points in resource demand. It is recognised that the resourcing of current and future projects is a major factor in the deliverability of those projects.

Recommendations

26. Audit & Governance Committee are asked to note the updates to programme and project approach, consider the project information provided and provide feedback on any further data that they wish to see in future updates

   Reason: To ensure that the committee is kept updated on key programme and project activity.

Contact Details

Author:	Chief Officer responsible for the report:		
Dave Atkinson Programme Manager 01904 553481	Steve Stewart, Chief Executive		
	Report Approved	√	**Date** 29 April 2016
Specialist Implications Officer(s) None			
Wards Affected: All			√
For further information please contact the authors of the report			

Abbreviations
AAP – All About Projects (this is the council's project management framework)
CIA – Communities Impact Assessment
CMT – Council Management Team
CYC – City of York Council
DMT – Directorate Management Team
MSP – Managing Successful Programmes
PIA – Privacy Impact Assessment
Prince2 – Prince2 is a project management methodology that is widely adopted for managing projects in the public sector.
RAG – this is a risk status rating, which stands for "Red", "Amber" or "Green"
Verto – Verto is the council's project management ICT system

Annexes
Annex A – Update of Major projects
Annex B – Project Assessment Matrix