Executive

Update on Major Programmes

4 March 2013

Report of Head of Transformation

PURPOSE OF REPORT

To provide an update on progress in implementing robust governance of major change projects.

> This report is public

Recommendations

The Executive is recommended to:

(1)   Note the work done to embed the governance standards for the Place Programme and Transformation Programme for Cherwell District Council and South Northamptonshire Council, including acting on guidance offered by Internal Audit.

(2)   Note the development of a Statement of Recommended Practice in relation to how major projects are managed, and the forthcoming opportunities for Members to be briefed on the methodology.

(3)   Note the plans to acquire temporary project management resources to ensure the robust delivery of the council's major projects, and build future project management capacity.

Executive Summary

2   **Introduction**

2.1   In September 2012, Executive received an update on the implementation of the governance structure for the Council's major projects agreed earlier in the year.

2.2   This report is to further update members on the progress made in implementing the governance, and its extension into project management, now set out in a Statement of Recommended Practice (SoRP). A similar report is being considered by the SNC Cabinet.

Proposals

2.3 This report proposes continuing to develop and implement the governance arrangements for major projects as previously agreed.

2.4 It also proposes some opportunities for Members, both those directly involved in projects and those with a wider general interest, to be briefed on the SoRP.

2.5 Finally, it outlines a proposal being made through the budget-setting process to add temporary project management expertise in support of delivering our major projects.

Background Information

Validating the approach

2.6 In May 2012 Cherwell District Council's Executive and South Northamptonshire Council's Cabinet approved a governance structure for the Councils' major projects. This was intended to ensure that the Councils' limited management and financial resources are focussed on the top priorities, and that there is transparency of resource commitment, risk exposure and alignment of major projects with each Council's strategic objectives.

2.7 At the project management level, both Councils had previously promoted the use of a tailored version of the standard Prince 2 project management methodology. Tailored in different ways, with different document templates, work was done to harmonise the two into a single methodology that was as paperwork-light as possible while retaining the strengths of the methodology as a system of controls and checks. Specifically, those strengths are transparency and accountability, the principle of managing by exception, and alignment with the programme governance structures agreed for both councils.

2.8 As described in the September update, , Internal Audit scoped a two part "Added Value" review of the structure and overall approach to project and programme management in July 2012. Review 1 was carried out in August and comprised:

- Assessing the approach and implementation of the new governance structure for the Place and Transformation programmes and subsequent projects;
- Reviewing the adopted methodology and supporting processes and controls; and
- Identifying any risks to the above approach and providing recommendations on any possible areas for improvement.

2.9 In summary, the findings of the audit were that "the new governance structure provides an inclusive programme and project management structure where Council Members can help to drive projects forward" specifically:

- There is a clear governance structure
- A high quality project and programme methodology is being implemented
- The methodology uses a light version of 'Prince 2' and will be facilitated

through 'Project in a Box' software.

But that:

- Implementation and adoption of methodology and controls is varied
- We need to implement minimum project standards.

2.10 The audit also identified some areas of risk, linked to the inconsistent application of the methodology across the two organisations, and the need to have tighter controls at the start-up of projects: "Project managers are from a variety of backgrounds meaning inconsistent levels of control are implemented for each project… additional roles could assist in the implementation of the methodology and controls and provide valuable support for the delivery of the projects."

2.11 In response to this constructive guidance, the Statement of Recommended Practice (SoRP) draws together the project management methodology, the governance arrangements, and the recommendations from the audit, into a single document. It functions as a manual for anyone developing a project proposal or involved in delivery, and provides the basis for training and development for all people involved in delivering projects, inside and outside of the Major Programmes.

2.12 In addition, a growth bid is in place to provide further fixed term project management experience in support of the two major programmes, and to develop in-house staff through offering secondments as project support officers, with appropriate training and skills-building opportunities.

2.13 By taking these actions, we will address the only amber/red finding identified by the review, that of Implementation: "Resourcing, skills levels and general support are impacting on the ability to implement the desired governance structure, methodology and supporting controls".

2.14 The second part of the review is scheduled for quarter four and will examine our progress.

The Statement of Recommended Practice

2.15 The SoRP is intended as a "how to" manual for anyone involved in project delivery or governance, and to provide the backbone to training and development for those people.

2.16 It comprises five sections:

1. What projects are and why manage them differently from "business as usual"

2. The Cherwell District and South Northamptonshire Councils' methodology

3. People and roles in project organisations

4. Techniques and training

5. Programmes and Portfolios

2.17 The SoRP has been drafted with input from HR and the Training and

Development team to ensure a format, use of language, and structure that lends itself to communicating and training at all different levels of project involvement and all different levels of detailed knowledge and execution, through a wide range of delivery methods.

2.18 Member champions, participating in governance at the project board level, will be invited to a short briefing to run through the key parts of the approach and ensure they know what to expect from their project manager and delivery team. Member champions for our major projects are:

Eco Bicester	Councillor Wood
Bicester Town Centre	Councillor Bolster
Banbury Developments	Councillor Gibbard
Brighter Futures in Banbury	Councillor Donaldson

2.19 Other members will have the opportunity to attend a general background briefing outlining the reason behind having a project management approach, and the key principles being followed. Dates are to be agreed.

Governance implementation to date

2.20 Programme Board meetings have been scheduled; unfortunately adverse weather conditions forced the cancellation of the November meetings. January's Place Programme Board met as planned, and future meetings are in train to happen as planned, aligned to meetings of the Joint Arrangements Steering Group.

2.21 The online project office system described in the September update has been tailored to produce succinct, standard reports to project boards, and a higher level report across all projects, to the programme boards. This is contributing to reducing the amount of paperwork required by project managers, and ensures a consistency of information at all levels.

2.22 Work described in the September update, to input the required project information into the online project office system and configure the appropriate reports for project and programme boards has been completed as planned.

The project information is now being maintained and reported on by Project Managers on a day to day basis. Based on feedback from users of the project office system further licenses and training have been procured to allow team members and others contributing to projects inside and outside the council, to access and update the system.

Key Issues for Consideration/Reasons for Decision and Options

Option One   There is no alternative option. Members have already approved the general approach to maximising the effective use of scarce resource through the organisation of projects into programmes. This report seeks simply to update members.

Consultations

JMT
Have considered and adopted the SoRP.

Leader of the Council

Implications

Financial:
The growth bid for £125,000 p.a. for three years is being considered through the formal budget setting process.

Comments checked by Karen Curtin, Head of Finance and Procurement 0300 003 0106

Legal:
There are no legal implications of the proposals set out in this report.

Comments checked by Kevin Lane, Head of Law and Governance 0300 003 0107

Risk Management:
This proposed approach to embedding the governance arrangements will help to facilitate a robust approach to the management of organisational risk.

Comments checked by Claire Taylor, Corporate Performance Manager 01295 221563

Wards Affected

All

Corporate Plan Themes

An accessible, value for money council

Lead Member

Councillor Barry Wood,
Leader of the Council

Document Information

Appendix No	Title
1	Statement of Recommended Project Management Practice
Background Papers	
None	
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