

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Project Management Select Committee – 12 Month Review
Meeting/Date: O&S Finance and Performance, 3rd March 2015
Executive Portfolio: Executive Leader and Executive Councillor for Resources
Report by: Programme and Project Manager
Ward(s) affected: All

Executive Summary:

In February 2015 a Select Committee was held to look at project management at HDC and the governance systems in place.

This report is the final review one year on, as requested by Overview and Scrutiny, on progress that has been made in the last 12 months as well as a review of financial reporting on projects and the post-delivery stage.

Recommendation:

To consider and endorse the positive progress made since the Project Management Select Committee and to close down this piece of work.

1. PURPOSE

To provide members of the Project Management Select Committee that was held in February 2015 the opportunity to see progress that has been made in the last 12 months and to comply with the recommendations that were agreed by Cabinet in April 2015.

2. BACKGROUND

2.1 The Select Committee was held on 17 February 2015 and involved looking back at past projects (Huntingdon Multi-Storey Car Park and the redevelopment of One Leisure St Ives), a demonstration of the Council's project management tools and three workshop sessions each focussed on different project phases. Members were also given a range of information on how projects should be managed and access to details of current and past projects.

2.2 Throughout the day, a range of issues were discussed and a number of recommendations were proposed. In summary, the Chairman considered that the Select Committee was able to offer reassurance to the Council on the general direction of the new management team with regards to project management.

2.3 The recommendations of the committee were agreed by Cabinet on 23 April 2015. The recommendations relating to project management are as follows:

1. Project management guidance be amended to require original Business Cases to be kept live and linked from the definition section of the Project Initiation Document (PID);
2. a session with the Programme and Projects Manager be arranged to explain the purpose of this new role and what it will achieve;
3. project updates be included in the quarterly performance reports to Overview and Scrutiny Panels;
4. a review by the Overview & Scrutiny (Economic Well-Being) Panel be arranged for 6 months' time to review steps followed in delivering the In-Cab Technology project and other projects currently in the delivery stage, including their procurement processes, and to assess how well the highlight reports for these projects are working, and;
5. a review by Members of the Project Management Select Committee be arranged for 12 months' time to review financial reporting on projects and the post-delivery stage.

Recommendations one, two, three and four have been completed. This report is to comply with recommendation five, but has expanded the review to include an overview of all progress made in the last 12 months.

3. FINANCIAL REPORTING ON PROJECTS

3.1 Financial reporting is provided through highlight reports and the closedown report, having initially been outlined in the business case.

3.2 For Capital expenditure, accountancy contact project managers on a monthly basis to request revised forecasts and monitor actual spend.

An overview of Capital projects financial reporting is included below.

Scheme	Net Budget	Net Forecast	Variance
Salix Projects	£97,000	£88,000	-£9,000
Pedals Scheme	£9,000	£9,000	£0
Octagon	£0	£50,000	£50,000
One Leisure Replacement Equipment	£200,000	£162,000	-£38,000

3.3 The financial management of projects, especially Capital projects, is an area that has been identified as needing improving. The following improvements have been agreed by Project Management Governance Board and Finance Governance Board –

- more robust challenge from FGB when bids are made
- learn from previous years spend (where possible)
- accountancy to remove revenue savings from budgets, as soon as capital bid is approved – this ensures savings are realised or if they aren't the closedown report draws the issue to the attention of PMGB
- FGB to receive monthly spend report
- require business cases earlier in the process
- PMGB to focus on financial reporting when approving closedown reports

4. POST-DELIVERY STAGE

4.1 There are only two projects that have closed down in the last 12 months; a mobile working project and the website re-development project.

4.2 There was one outstanding action for mobile working relating to an ongoing IT issue that has now been resolved. This technical project did not require ongoing benefits realisation.

4.3 The website re-development project was a complex project that had numerous open issues which are being monitored. There were also six areas for benefits realisation that are being monitored by the Website Steering Group. John Taylor, Head of Service for Customer Service, will attend the Panel to provide members with an update on post-delivery on this project.

5. PROJECT MANAGEMENT OVER THE LAST 12 MONTHS

5.1 Over the last 12 months there have been several changes in the governance arrangements for projects. Many of these were reported to Overview and Scrutiny – Economic Well-being in October. In summary the changes over the first six months of the review period were as follows –

- Capital Programme administration is now managed by the Programme Office
- All projects are reported quarterly to Corporate Management Team followed by the relevant Overview and Scrutiny Panel before being presented to Cabinet
- All projects with a Red RAG status will be presented to the Project Management Governance Board (PMGB)
- The Programme and Project Manager has monthly meetings with the Managing Director to discuss progress of projects and ensure the completeness of the projects list
- A pre-project proposition form is in place to ensure HDC allocate resources according to the priorities and objectives we have as a Council
- The relevant Head of Service is now copied in on all emails regarding incomplete sites

5.2 Since October there has been a focus on bedding in the principles of project management and ensuring Project Managers are aware of SMT's expectations. These steps have had a significant and positive impact and are outlined below –


- An audit of all project sites to ensure key project management documents are available on each projects SharePoint site. These documents are a Business Case, Project Plan, Communications Plan (if applicable), Risk Log, Issues Log and Highlight Reports. This audit was reported to PMGB
- A meeting with all project managers chaired by the Chair of the PMGB covering; the Cabinet Report pathway and content, the Project Status Report, Capital Projects, Good Practice Examples and SharePoint Q&As
- Require all lead officers with a Capital bid for 2016/17 to attend, or nominate a project manager to attend, training on how to write a Business Case. This training is taking place over two mornings giving staff the opportunity to look at examples of good and bad practice. It also provides the opportunity to start writing the Business Case that is due for submission to FGB in the two week period between training sessions and to use the second session as an opportunity to share an initial draft with colleagues
- Finalise a more rigorous process for Capital bids that requires all projects requiring a business case to have this submitted by 31 March having already been approved by the relevant Head of Service. This will enable greater confidence that projects will be delivered within the financial year.
- The decision to include the LEAN programme into the quarterly reporting from Quarter One 2016/17
- Initial work has been started to design a common set of project management documents to be used across all three Councils involved in the current Shared Service arrangements. There are currently only minor differences but the standardisation of templates allows for commonality that should benefit officers and members.
- There is a project management approach named Agile that takes an iterative approach to project management. It looks at a project in 'sprints' and focuses on delivery. This principle is widely used within IT projects and has been used at HDC. To increase project managers' awareness of this approach, an Agile awareness session was arranged with all project managers invited to attend. This session gave project managers the opportunity to consider a new approach to project management. PMGB are currently considering how the Council can use Agile principles within the organisation.

6. RECOMMENDATION

- 6.1 To consider and endorse the positive progress made since the Project Management Select Committee and to close down this piece of work.

CONTACT OFFICER

Laura Lock, Programme and Project Manager

 (01480) 388086