

**Parliamentary Programme and Project Assurance**  
**Annual Report 2010**  
**Emerging Findings**

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## **Contents**

<b>EXECUTIVE SUMMARY .....</b>	<b>3</b>
<b>INTRODUCTION.....</b>	<b>5</b>
<b>AREAS OF GOOD PRACTICE.....</b>	<b>6</b>
<b>AREAS FOR IMPROVEMENTS.....</b>	<b>7</b>
<b>Strategy .....</b>	<b>7</b>
<b>Governance .....</b>	<b>7</b>
<b>Resource Management.....</b>	<b>8</b>
<b>Monitoring and Control .....</b>	<b>8</b>
<b>Information Management .....</b>	<b>9</b>
<b>Quality Management.....</b>	<b>10</b>
<b>Risk Management.....</b>	<b>10</b>
<b>Issue Resolution.....</b>	<b>11</b>
<b>Stakeholder Engagement.....</b>	<b>11</b>
<b>Benefits Management .....</b>	<b>11</b>
<b>RISKS FOR THE PPPAO .....</b>	<b>12</b>
<b>RECOMMENDATIONS .....</b>	<b>15</b>
<b>APPENDIX 1 - DELIVERY CONFIDENCE MEANINGS .....</b>	<b>16</b>
<b>APPENDIX 2 – COMPLETED REVIEWS .....</b>	<b>17</b>
<b>APPENDIX 3 - CURRENT REVIEWS.....</b>	<b>19</b>
<b>APPENDIX 4 - PENDING REVIEWS.....</b>	<b>20</b>

## Executive Summary

This report details the progress made by the Parliamentary Programme and Project Assurance Office (PPPAO) since November 2009 in:-

1. Performing programme and project assurance reviews against key Parliamentary programmes and projects
2. Training and accrediting Parliamentary staff to participate in review teams
3. Holding awareness training covering the use of OGC Gateway™ Assurance reviews
4. Running the administrative function to ensure the assurance happens in a timely and appropriate manner and to ensure a point of reference for information on programme and project assurance.

In addition, where appropriate, the office has participated in workshops, evaluations and training requirements definitions.

In essence the report shows continuous improvement in the discipline of programme and project management. This includes professionalisation of the discipline and the general raising of standards.

It also details the areas of good practice and the areas where further attention is required. It is evident that those heading programmes and projects have adopted the use of assurance in order to assist them. There has been a predominantly positive response to the outcomes. Where second or subsequent reviews have been held there is evidence of recommendations being implemented. If this is not the case, alternative actions have been taken or non adoption explained.

A survey to be undertaken shortly will assist in the gathering of empirical and baseline data to support these points and in further more specific performance reporting.

The report details six main themes worthy of specific attention. They are:-

- The subject of business change management and what it means in practise for both Houses and PICT should be considered and a way forward determined
- In tandem with recommendation 1, Parliament should consider the implementation of business change managers whose role is to ensure the realisation of the benefits as set out by the portfolio, programme or project.
- Parliament should consider the adoption of a more corporate approach to portfolio, programme and project management
- Parliament should consider an end to end process for resource planning, profiling and management to ensure the right skills are available at the right time.

- Contract management should be developed to become more transparent, understood, adopted and embedded in all areas
- Effective risk management awareness and capability should be further strengthened and improved from the corporate level strategies to individual projects, utilising an agreed risk model and appropriate tolerances.

## Introduction

Since the first Annual Report and 'Emerging Findings' review of November 2009, there have been a further 13 reviews completed and three more due to complete by the end of the calendar year. In addition there will be a 'Starting Gate' review carried out. This takes place prior to Gateway 0 and is the first time Parliament has held a review of this type.

This report summarise the main details emerging from the recommendation of those reviews and where possible suggests further action to realise the full benefit of these to Parliament.

Alongside these reviews has been a programme of training and accreditation in partnership with the Office of Government Commerce (OGC) which has increased Parliament's pool of accredited reviewer resources from a low level of three to 16. A further 13 have been trained but not yet accredited.

Parliamentary Programme and Project Assurance consists of two staff members who promote, and manage gateway reviews and other related assurance activity across Parliament. It work is overseen by a small steering group consisting of a representative of both Houses and PICT at management board level.

Across all reviews there was a mixed set of delivery confidence ratings ranging from amber/red to green/amber (see appendix 1 for delivery confidence rating explanations). As yet there have been no green or red ratings. In all reviews, the review teams felt that there were activities that were being carried out well alongside some that could be improved.

Of the recommendations made in the first emerging findings report (November 2009), several have been taken forward either by the programme and project assurance office or in collaboration with other areas or by separate groups and committees.

Firstly, accredited training for Senior Responsible Owners (SRO's) has been piloted amongst a mixed community of experience SRO's, new SRO's and those likely to take on a role of this kind in the near future. Further training will be provided in the future once the details of the pilot are confirmed. The result to date has been achievement of accreditation by 16 Directors and Senior Managers covering the House of Commons and House of Lords as well as PICT. This training is enabling a common understanding of the role of the SRO both generally and within Parliament.

Resource management is a topic that has been highlighted across all programmes as a potential issue. Both PICT Project Management Office (PMO) and Facilities PMO have work ongoing to improve this area. However there is a case for a more strategic approach which would allow for more sharing of staff and knowledge as well as lessening the reliance on consultancy and contract staff.

Part of the accreditation process for gateway reviewers requires information regarding skills and these are used by the Department Gateway Co-ordinators (DGC) to appoint the relevant reviewers

to reviews. However the same is not yet true of programme and project staff within Parliament but may well help with the larger problem of resource management.

There has been some initial work on Benefits Realisation by a working group under the chairmanship of John Borley. It is still an area that requires appropriate and specific training as well as a better understanding in all areas as to the role of each in realising benefits. In particular, understanding what benefits are and how to achieve them are key areas requiring improvement.

Dependency Management was an issue from the last report. There has definitely been significant improvement not least of which is down to more experienced programme and project managers. However evidence for the reviews undertaken this year suggests this is taking place as a relatively informal process. A more corporate approach to programmes and projects would greatly assist in this area as well as assisting in the resource management conundrum

A feedback survey is to be held amongst all those who have commissioned, participated in or reviewed (internal reviewers) Parliamentary programmes and projects over the last year. This will provide some base empirical data for performance monitoring and measurement as well as areas for improvement. This survey is to be held before Christmas 2010 and the results published in the New Year (2011).

The remainder of this report details the areas of good practise found as well as the areas for improvements. It also makes recommendations as appropriate, as to actions that could be taken to achieve the desired improvements.

## **Areas of Good Practice**

There were areas of good practice across both Houses and PICT. However the true benefit is not being realised due to the fragmented approach to programme and project management.

The expertise in programme and project management has improved since the last report and in particular in the areas of programme management. The decision by PICT to adopt Managing Successful Programmes (MSP®) as their programme management methodology has enabled a more formal and logical organisation to their programmes and projects. These have covered a range of different programmes and projects including ICT projects and ICT enabled business change. The decision by HOC Facilities to consider this for their 'works and estates' programme management is a further step to a more standardised but flexible approach to Parliamentary Programme and Project Management.

This is also illustrated with the increase in joint working between the PMO within PICT and the HOC Facilities PMO. Further joint working is to be encouraged to allow the development of common standards that suit all.

The number of accredited programme managers has increased during the year with PICT ensuring that all their programme managers have achieved this status. There are other accredited

programme managers within the Department of Facilities (HOC) and in other programmes such as SPIRE. This is a significant improvement from the previous year. Project managers in PICT are expected to gain Prince II® accreditation further assisting the professionalisation of programmes and projects.

## **Areas for Improvements**

These areas can be defined in certain groupings almost directly relating to the MSP® methodology, as defined by OGC.

These are:-

- Strategy
- Resource Management
- Monitoring and Control
- Information Management
- Quality Management
- Risk Management
- Issue Resolution
- Stakeholder Engagement
- Benefits Management
- Governance

## **Strategy**

These findings were those that could apply at all levels of programme and project management as well as corporately.

Reviews found in general that there could be improved management of dependencies across programmes, projects and administration disciplines (e.g. a building programme that requires delivery of an ICT enabled project or visa versa). These dependencies were usually concerned with: -

- People – usually specialists
- Timescales
- Funding decisions
- Visibility of dependencies

## **Governance**

The governance issues were significant in their impact but the trend in this area was one of visible improvement. Further training in programme sponsorship and programme management as well as programme awareness training should enable this improvement to continue.

Areas requiring further attention were such as:-

- Clarity of governance structures

- Clear definition of roles and responsibilities
- Complete assignment of roles to named individuals
- Terms of reference for the programme/project to be clear and unambiguous
- Clear business cases for enabling programmes/projects

## **Resource Management**

There are three main areas that encountered recommendations and comment over the last year. These were:-

- Finance –
  - where business cases should be considered a working document and therefore in need of regular refresh – to continue the value for money assessment as more costs and savings become known
  - consideration of external (to the programme or project) scrutiny of business cases at all significant milestones in order to maintain robustness and applicability
- People –
  - Resource fully to satisfy expectations and to align with the business case
  - To be able to do this more sharing of resources, skills and expertise is required
  - Resource planning is required to provide visibility so preventing potential bottlenecks with scarce resources/specialism
  - Greater visibility of the skills and capabilities available is required in order to assign the right people to the required roles
  - When resourcing people consideration must be given promptly to the resources required for operational planning and implementation
  - Provide Programme Management Office support across all programmes and projects to share the skills and expertise
- Specialism
  - Implementation of a business change management model and the use of business change managers will greatly assist the success of business change (processes as well as structural/cultural) initiatives and assisting in the achievement of desired benefits
  - Contract management training should be provided for all programme and project staff with contract management awareness training being provided for all relevant staff
  - Programme and Project assurance should be mandatory for all programmes and projects either within the programme or project or using the OGC Gateway™ Review (usually it will be a combination of the two)

## **Monitoring and Control**

This area for improvement covered a number of different aspects, with some issues around the internal monitoring and control of the programme/project as well as planning around key milestones. There was common concern across all programmes and projects that contained any



contract management. Contract management may be a result of a procurement of a service to be implemented, engagement of consultancies or external labour or even use of internal services to deliver products or services.

In the area of progress monitoring it was considered that there was not sufficient emphasis put on attendance at progress meetings so that a clear picture of progress to date was not easy to achieve. In the area of monitoring of key milestones an issue was found to be allowing the time for and carrying out transition planning. This perpetuated the 'over the wall' culture instead of encouraging the working together of different disciplines.

There was a lack of clarity of how to define outcomes and how their achievement would be measured. What would achievement look like and what should be done if these outcomes changed during the lifetime of the programme?

The area of most concern under this heading was contract management and these concerns covered the following topics/area:-

- Lack of clarity over acceptance criteria – how does the programme/ project know that the delivered outcome/product is what was wanted and is fault free/
- Lack of a clearly defined issues resolution process covering all aspect of contract management both as part of the programme/project or as a key deliverable (i.e. a service)
- Lack of clarity over ownership of a service contract meaning the service is not monitored effectively
- Little evidence of effective performance measurement and management
- Lack of understanding amongst staff as to the principles of contract management and why it is necessary
- Lack of appropriate contract management training to appropriate staff – often required by the business user after transition to business as usual for them to actively manage the contract.
- More clarity and visibility of the monitoring of Service Level Agreements' and their metrics to encourage greater awareness

## **Information Management**

For this aspect the areas of improvement can be categorised in two parts:

- Programme Information Creation where the following are all aspects that could be improved
  - Clarity of scope as to what information/documentation is required
  - Standard use of a communications strategy
  - Early creation of this strategy
  - Use of a standard document set
- Programme Information Management
  - Communications planning is often done in a hurry and not in a timely manner

- Information contained within key documents is not subject to regular refresh and appropriate version control
- Lessons learned are often not shared limiting their usefulness to other programmes and projects

## Quality Management

In this area the review comments were around ensuring that any delivery was fit for purpose. In addition some level of assurance should continue throughout the programme/project lifecycle to ensure benefits realisation is adequately monitored and recorded. Commentary included such suggestions as formal change control methods to be used, proof of concept is carried out for new business methods and formal testing procedures to cover all levels of implementation.

## Risk Management

Risk management was one of the areas that attracted most comment. This is an area for further consideration. The reviews have demonstrated an improved and improving awareness and ability to identify programme and project risk relevant to each specific area. However, it also demonstrates a gap in applying the risk management to areas of interaction and dependency i.e. cross-departmental and bi cameral risks. To improve overall risk visibility and therefore management, an end to end process for managing risk in a common and agreed way is required throughout Parliament. This should cover corporate/strategic risks, bi-cameral risks, inter-departmental/directorate/functional risks, programme risks, project risks and operational risks.

The three main areas for comments are as detailed below.

- Risk Model:-
  - Parliament should standardise on its risk model thus enabling clarity over the method of risk management in place
  - Project level risk management and its associated strategy needs further development
  - Relevant training on a standard model should be given to the appropriate staff
- Context Identification:-
  - There should be a clear risk management strategy
  - Compliance requirements should be clear and unambiguous – this should cover both legislative and best practice
  - All dependencies and relationships between programmes/projects should be investigated and clarified
  - All ICT risk must be clearly identified in all programmes not just ICT owned programmes
- Risk Responses:-

- Risk mitigation should consider all actions to reduce a risk e.g. reduce, tolerate, remove
- All risks must be regularly monitored and explicit action taken
- There should be adequate monitoring of emergent risks and their potential impact (e.g. change in priority, savings required, unexpected closure)

## **Issue Resolution**

This area was in the main concerned with the management of issues and change control. The reviews held this calendar year have found the need for clarity over the ownership, effective progress monitoring including confirming resolution and closure. In addition there is not an obvious robust process for managing and controlling change (i.e. to scope, outcomes, benefits or deliverables).

## **Stakeholder Engagement**

There were areas that require continuing attention and improvement. These could be categorised as: -

- Profiling
  - The method of defining stakeholder profiles was inconsistent resulting in potential inaccurate assessments
  - Different profiles could be reached on the same stakeholder by different individuals
- Management
  - Whilst in general stakeholder management had improved in terms of information provision, there was still inadequate consideration of stakeholder expectations and explicit activity to manage these ensuring what is delivered is what is expected
- Communications
  - Communications Strategies are not always considered early enough
  - Blanket communications to all stakeholders is not sufficient, each stakeholder or stakeholder groups will have their own requirements for information

## **Benefits Management**

The definition and management of benefits realisation continues to be a weaker area across all types of programmes and projects. As with all aspects there are some areas of good practise and some areas requiring significant improvement. A key problem area is the identification of, planning for and measurement of the achievement of intangible /non financial benefits. There is also a lack of procedures for benefits identification with each programme/project adopting their own method (either formally or informally) resulting in a lack of clarity over what the benefits really are.

The other main aspect looked at was the benefits delivery framework. Here the issues being raised were:-

- Lack of benefits management strategies
- The absence of clear benefits profiles and associated maps
- Lack of clarity over how the achievement of defined benefits is to be mapped
- No obvious process for benefits realisation including monitoring and reporting

## **Risks for the PPPAO**

During the past year as more reviews have been requested and executed an office risk register has been created and monitored – a more detailed risk register is available if required.

Some risks are those that can be tolerated whereas others need varying degrees of mitigation. Those outside the direct control of the office may need escalation.

<b>Risk Category</b>	<b>Risk</b>	<b>Effect</b>	<b>Impact</b>	<b>Mitigation</b>
Strategic	Ending of Land Registry partnership unexpectedly	Validity of reviews not recognised by external partners	Medium	Apply for medium risk delegation
	Removal of OGC support due to efficiency review/ organisational changes within OGC	Accreditation as an organisation unachievable	medium	Achieve medium risk delegation asap
	Inability of Parliamentary Reviewers to participate in reviews	Lack of Parliamentary context and likelihood of inability to resource reviews adequately	High	Negotiate inclusion in accredited reviewers job description
Financial	Restriction on the use of consultant reviewers especially RTL's	Inability to source adequate review team	High	Wherever possible use CCG reviewers including RTL's

				Ensure accreditation of Parliamentary RTL's
	Rise in catering costs	Inability to provide refreshment for external reviewers	Medium	Consider a token system whereby each reviewer can purchase food and drink at a discounted rate subsidised by the PPPAO
	Non-payment of T & S claims from external reviewers by programmes/projects	Time taken chasing payment and potential limitation to review team members from the locality	Medium	Only occurs with consultants and land Registry/NHS reviewers – minimise their use where possible.
	Refusal of programmes/projects to fund the use of consultant reviewers	Inability to provide appropriate review team	Medium	Where possible use Parliamentary or CCG reviewers
Operational	Lack of available meeting space	No private area to hold gateway interviews	High	Escalate to Accommodation office
	Lack of ICT facilities	Unable to prepare and print reports at the end of the review	Medium	Purchase own portable kit
	Inability to share review information due to security constraints both internally and externally	Unable to run reviews effectively	High	Investigate and purchase an alternative method of document


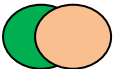

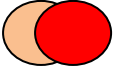

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				dissemination
	Non attendance of interviewee at review as scheduled	Incomplete assessment by review team	High	Follow up all scheduled interviews and chase immediately any non response or non attendance

## Recommendations

1. The subject of business change management and what it means in practise for both Houses and PICT should be considered and a way forward determined.
  - This should encompass consideration of the appropriate model(s) for change that could be utilised depending on the type of change required (e.g. organisational change, process change etc)
  - The development of an organisational strategy for change management
  - The provision of skills to appropriate/interested staff by training, mentoring or coaching
2. In tandem with recommendation 1, Parliament should consider the implementation of business change managers whose role is to ensure the realisation of the benefits as set out by the programme, project or portfolio.
  - These roles would come from the business and would be seconded full time to the programme as required
  - The role continues after programme/project delivery to ensure realisation of benefits is completed and embedded.
3. Parliament should consider the adoption of a more corporate approach to Portfolio, Programme and Project Management
  - This would raise the visibility of all programmes and projects especially those not currently defined (see appendices 2 – 4)
  - To standardise on the PPM methodologies employed within the organisation allowing for more transference of skills and resources regardless of the programme/project type. Flexibility within the standards must allow for the different types of programmes and projects
  - To 'grow' a centre of excellence for portfolio, programme and project management to assist in the delivery of programmes and projects on time, on budget and achieving the required quality.
4. Parliament should consider an end to end process for resource forecasting, profiling and management to ensure the right skills are available at the right time.
5. Contract management should be evaluated throughout Parliament with a view to developing a common approach to the monitoring and management of contracts. Appropriate processes and standards and regularly assessed. The provision of appropriate training as required is essential.
6. Effective risk management awareness and capability should be further strengthened and improved from the corporate level strategies to individual projects, utilising an agreed risk model and appropriate tolerances

## Appendix 1 - Delivery Confidence Meanings

<u>RAG</u>	<u>Criteria Description</u>
Green 	Successful delivery of the project/programme to time, cost and quality appears highly likely and there are no major outstanding issues that at this stage appear to threaten delivery significantly
Amber/Green 	Successful delivery appears probable however constant attention will be needed to ensure risks do not materialise into major issues threatening delivery
Amber 	Successful delivery appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and if addressed promptly, should not present a cost/schedule overrun
Amber/Red 	Successful delivery of the project/programme is in doubt with major risks or issues apparent in a number of key areas. Urgent action is needed to ensure these are addressed, and whether resolution is feasible
Red 	Successful delivery of the project/programme appears to be unachievable. There are major issues on project/programme definition, schedule, budget required quality or benefits delivery, which at this stage does not appear to be manageable or resolvable. The Project/Programme may need re-baselining and/or overall viability re-assessed



### Appendix 2 – Completed Reviews

Programme/Project title	Senior Responsible Owner	Programme/Project Manager	Review dates	Internal Reviewer	Next Review Due
Facilities Transformation Programme	John Borley	John Greenaway/Sue Harrison	19 - 21 January 2010	Richard Ware	see current reviews
14 Tothill Street Project (Phase 1)	Carl Woodall	[s.40]	4 - 5 February	[s.40]	
Members ICT Services Programme	Matthew Taylor	[s.40]	2 - 4 March	Philip Collins	
M & E Medium Term Programme	John Borley	[s.40]	8 - 10 March 2010		
Hansard Reporting Suite Project	Loraine Sutherland	[s.40]	16 - 18 March 2010	Edward Wood	
Off-site Consolidation Centre	John Borley	James Robertson	20 - 22 April 2010		post contract award
Infrastructure Programme - Remote Data Centre	Innis Montgomery	[s.40]	27 - 29 April		
Spire	Andrew Kennon	Helen Wood	8 - 10 June	Andrew Makower (observer)	early 2011

Infrastructure Programme	Innis Montgomery	Steve O'Connor	22 - 24 June 2010		
Remodelling Management	Andrew Walker	[s.40]	29 June - 1 July 2010		early 2011
Workplace Nursery Scheme Project	Paul Silk	[s.40]	20 - 22 July 2010		
Millbank Island Site	Carl Woodall	[s.40]	27 - 29 July 2010	Eve Samson / Helen Wood	
CPIMF	Steve Wise	[s.40]	5 - 7 October	Philip Collins	
OSCC Health Check	John Borley	James Robertson	13 - 14 October	[s.40]	
HR Pay ,Policy and Procedures - Starting Gate	Andrew Walker	[s.40]	19 - 21 October		

### Appendix 3 - Current Reviews

Programme/Project title	Senior Responsible Owner	Programme/Project Manager	Status	Assessment Date	Planning Date	Review dates	Internal Reviewer?	Next Review Due
Off-site Consolidation Centre	John Borley	[s.40]	on hold		22 November 2010	7 - 9 December 2010		
Facilities Transformation Programme 1	John Borley	[s.40]	awtg confirmation of dates	January 2011		March 2011		July 2010
Facilities Transformation Programme 2	John Borley	[s.40]	on hold pending the outcome of savings review					
Procedural Data programme	David Natzler/ David Beamish	[s.40]	in progress	14 September 2010	21 October 2010	2 - 4 November 2010	Edward Wood	
HR and Finance	Janet Rissen	[s.40]	in progress	11 October 2010	08 November 2010	23-25 November 2010	[s.40]	
Digital Preservation Project	Liz Hallam-Smith	[s.40]	scheduled	11 January 2011	22 February 2011	8- 10 March 2011		

## Appendix 4 - Pending Reviews

Programme/Project title	Senior Responsible Owner	Programme/Project Manager	Status	Next Review Due
Applications and Data Consolidation Programme	Richard Ware	[s.40]	pending	asap
Fire Safety Programme	John Borley	[s.40]	pending	Q4 2010
Cast Iron Roofs	Carl Woodall	[s.40]	pending	Q3 - Q4 2010
Members ICT Services Programme	Matthew Taylor		pending	Q3 - Q4 2010
Facilities ICT Programme	John Borley	[s.40]	pending	Q4 2010
Westminster Hall Restoration	John Borley		pending	Q4 2010
Infrastructure Programme - Remote Data Centre	Innis Montgomery		pending	Q1 2011
Integrated Safety, Security and Resilience	Jill Pay	Mike Naworynsky	awtg risk assessment completion	
OCE Risk Management Project	Matthew Hamlyn	[s.40]	risk assessment required	
HR/Finance Organisational Change Programme	Andrew Walker	Janet Rissen/Edward Wood/[s.40]	risk assessment required	