

Overview and Scrutiny Committee



19 January 2021

Title	Corporate Project Management
Purpose of the report	To note
Report Author	Sandy Muirhead
Cabinet Member	Councillor Robert Noble
Confidential	No except Appendix 4
Corporate Priority	Financial Sustainability
Recommendations	The Overview and Scrutiny Committee is asked to: Note the report and change of categorisation of projects.
Reason for Recommendation	Not applicable

1. Key issues

- 1.1 This report highlights the work of the Council on projects.
- 1.2 The Corporate Project Dashboard tracks progress of projects and work streams across the Council (**Appendices 1-4**). Some projects have been impacted by the ongoing emergency response to COVID-19 and this emergency response certainly looks as if it will extend into spring 2021. The projects have been presented differently to highlight in order those that are possibly of most interest to Councillors.
- 1.3 The Council's focus continues to be on effectively managing its property investments and delivering on significant regeneration and housing projects, with the property and investment portfolio being managed, controlled, and reported through the officer 'Development and Investment Group'(DIG) with relevant decisions made by Cabinet members at the 'Property and Investment Committee' (PIC) for matters that fall within its remit. Reports are still presented to Cabinet when this is required. The detail of these projects is captured at these meetings with high-level information being captured as part of the 'Corporate Project Register' and 'Corporate Project Dashboard' documents (Appendix 3). These asset-related projects are managed via relevant industry software (Argus). These development projects are due to be presented in detail and discussed at an Extraordinary Council Meeting on the 21 January 2021. Therefore to avoid the duplication of work during this COVID-19 emergency the confidential information for these projects is not forming part of the agenda to this meeting.
- 1.4 This is linked to, and sits alongside, a move away from a Cabinet model of governance to a Committee System (a public consultation exercise to get views on this proposed change closed on 14 January 2021). It is currently

proposed that Assets (acquisitions and developments) will be within the remit of the Policy and Resources Committee. As the Council is looking to increase transparency around decision making across the board governance arrangements will be strengthened to ensure that regeneration and development projects are kept under regular review at key gateways and progress against budgets monitored. The current intention is that officers will report to a Project/Programme Board led by Councillors who will be supported by independent external advisors in undertaking this role. The detail around governance, processes and the operational model is currently being finalised.

- 1.5 Development projects use a variety of tools to manage projects and follows industry standard methodologies bespoke to each project through their life cycle. Unlike Prince2 which is process driven (and for this reason not widely adopted in this sector), Development is different insofar as it is knowledge driven so each project has its own bespoke approach but uses similar management tools. The financial aspects are currently managed by the Argus Developer system (which is used throughout the property industry). It is used for financial performance and in doing so takes account of programme durations, costs, values, risk allowances, unit mix, cashflow, and sensitivity analysis. This forms a 'live' business case which can be easily updated and amended as and when variables change. It enables the development manager (as distinct from a project manager) to calculate development feasibilities rapidly, to test assumptions across project variables (which allows them to identify risks and understand project phasing), build an airtight business case (including cashflow) and keep on top of projects and budgets by running actuals against budgets and forecasts. It applies all the same principles and rigour that you would expect of a project management system but in a way that is adapted to best meet the financial needs of a development project.
- 1.6 For non-asset projects the methodology used, titled "projects made simple", is based on Prince 2 principles whereby project managers must complete a business case, risks, and issues at the start of the project. It is expected project managers undertake ongoing monitoring of projects through highlight reporting and updating risk assessments, plus ensuring any major changes are logged via a change request form. Projects also need to ensure they continue to undertake Equality and Diversity impact assessments, , and where appropriate Privacy Impact Assessments plus take account of sustainability, and comply with necessary Government legislation.
- 1.7 At the suggestion of the portfolio holder, **Appendix 1** shows a revised format for categorisation of the projects under clear headings and their associated summary updates. It is hoped this makes it quicker and easier for members to focus on projects of particular interest specific to the residents in their wards as well as internal projects relevant across the whole council.

2. Options analysis and proposal

- 2.1 To ensure appropriate projects are undertaken it is important to follow the Council projects made simple process. For developments specific programme management strategies are used which are built around established financial performance metrics using Argus Developer software to deliver effective project and development management.
- 2.2 Not to do so could result in project failure and lack of governance on projects.

3. Financial implications

- 3.1 Projects should not be initiated unless there is a clear business case and funding stream in place. These should be indicated at the project planning stage regardless of whether the 'Argus developer' or 'projects made simple' process is used.
- 3.2 Project business cases include the procurement business case document as appropriate.

4. Other considerations

- 4.1 As with the financial needs, resources must be given equal attention, with the appropriate departments and services being considered so that the appropriate and necessary skills can be made available to meet delivery deadlines.
- 4.2 Given the current structure, and working practices of the Council, prioritisation of workloads will prove crucial to engage key members of the delivery team to ensure deadlines are met.
- 4.3 Where resource availability is proving to be a risk with potential to threaten the agreed delivery date, then escalation for support must be made and a revised timetable for implementation produced.

5. Sustainability/Climate Change Implications

- 5.1 As a council that has declared a 'climate emergency', all projects where appropriate should now detail how the project will support/impact sustainability/climate change issues.

6. Timetable for implementation

- 6.1 Project status is reported to MAT, Cabinet Briefing and Overview and Scrutiny every quarter.

Background papers:

Appendices:

Appendix 1 Summary List of Projects

Appendix 2 Corporate Project Dashboard (Non-asset projects)

Appendix 3 Development projects

Appendix 4 Southern Light Railway (confidential)

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