

Project & Programme Management Business Case

Purpose of report

To make a decision on a request for funding from the LGA towards the establishment of a national improvement programme to assist the sector with project and programme management.

Summary

This report is a summary of the Project and Programme Management (PPM) Business Case report that was requested by Rob Whiteman (the previous Managing Director of LGID) and Derek Myers (Chair of SOLACE). The business case report was produced by Tim Ellis, Head of Programme Management Office, Royal Borough of Kensington and Chelsea. It seeks funding from the LGA totaling £165k in 2011/12

Recommendation

Members are asked to consider the request for financial support.

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Background

1. Project and Programme Management (PPM) is a technique that is widely used in both public and private sectors. The 1950's marked the beginning of the era for the modern project and programme management. By the late 1980's, the Prince method was developed which was initially a government standard for the project management of all information systems but was in 1996 upgraded to PRINCE 2 and applicable to all projects.
2. With all the different methodologies came a lot of acronyms and some would say bureaucracy. PID's (Project Initiating Documents), SRO's (Senior Responsible Officers) became the common language for people managing projects. Many local authorities also invested in dedicated Project and Programme managers. And councils invested in getting staff trained in techniques such as PRINCE 2.
3. Over the last 10 years, the then IDeA and then a number of the RIEP's also made opportunities available to increase the capacity of the sector in such techniques through publications and courses.
4. However, applying PPM to local government service has been a mixed experience.
5. There are reasons for such difficulties.
 - 5.1 Best practice approaches are not tailored and proportionate to the sector's large numbers of small business change initiatives;
 - 5.2 Staff responsible for delivery may lack capability; initiatives are often led by managers without experience or career aspirations in PPM;
 - 5.3 And, programmes typically challenge organisational culture or silo working and thus require skills in the leadership of change.
6. As a consequence, in terms of productivity, transformational change to deliver savings and benefits for citizens often fails where the critical role of leadership of change is not fully embraced at senior member and officer level.

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National Improvement Programme Business Case (NIP)

7. The business case for a NIP, therefore, seeks to simplify and tailor approaches for the sector, pool and share knowledge, share costs, collaborate on delivery, develop capability and strengthen leadership.
8. The PPM initiative is self led by the sector via a Community of Practice (CoP) with 1244 members and a survey response from 250 (20%) resulted in the endorsement of the NIP by 207 (83% approval). The PPM initiative has organised a 'collective voice steering group' with representatives from each UK region and Tim Ellis, RB of Kensington & Chelsea, has been selected as its Chair to oversee the development of a NIP.
9. The NIP aims to take forward work which has already been funded by RIEPs or individual authorities that has been demonstrated to be tailored good practice. In response to the views expressed in the CoP survey the NIP wishes to support and deliver regional on-line and face-to-face networks, a senior leadership and member development offer, the dissemination and embedding of the PSPMA, the establishment of a PPM maturity benchmark and the development of simple and effective PPM tools and approaches (e.g. project and portfolio management) tailored to the sector.
10. The strategic objectives for the NIP agreed by the Collective Voice Steering Group:
 - 10.1 **Best practice:** To establish a national local government-tailored body of PPM best practice approved by peers, rooted in experience and backed up by specific examples.
 - 10.2 **Sharing knowledge:** To ensure organisations share PPM best practice and collaborate on the development and implementation of this practice.
 - 10.3 **PPM Culture and Capability:** To articulate and communicate the importance and value of PPM to senior officers and members within local authorities. To enhance the capability of all those within the public sector to deliver projects and programmes
11. The PPM business case identifies the following projects and objectives that could be supported via a NIP;

NIP Project and Objectives
<p><u>National and Regional PPM Networks / Cop and K-Hub</u></p> <ul style="list-style-type: none"> • To develop the CoP / K-Hub in support of the National and Regional PPM Networks. • To develop and support self-sustaining and governing PPM self-help Networks in each UK Region
<p><u>Senior Leader Offer / Elected Members Training</u></p> <ul style="list-style-type: none"> • To develop Senior Leader and Members PPM development offers. • To assess demand and market test these offers
<p><u>Online Maturity Assessment</u></p> <ul style="list-style-type: none"> • To provide a free online tool to enable maturity assessments within the public sector. To develop and deliver peer assessor training courses in support of maturity assessments
<p><u>Promote, utilise and maintain PSPMA</u></p> <ul style="list-style-type: none"> • To support embedding and use of the PSPMA in the public sector; • To maintain the PSPMA and develop enhancements e.g. Project Directory tool.
<p><u>Collaborative Working</u></p> <ul style="list-style-type: none"> • To set up a collaborative work programme in England on agile and mobile working. To identify requirements and options for further public sector common programmes.
<p><u>Learning and Development (L&D)</u></p> <ul style="list-style-type: none"> • To determine feasibility of establishing a L&D offer which can develop PPM capability at reduced costs. • To gauge demand and market test the requirement for a public sector specific PPM L&D offer.
<p><u>New PPM Products and Tools (Project and Portfolio Management)</u></p> <ul style="list-style-type: none"> • To develop public sector PPM best practise products and tools to satisfy the demand for simple and effective project and portfolio management • To promote and embed these public sector specific project and portfolio management methods.
<p><u>Peer-to-Peer Consultancy Services</u></p> <ul style="list-style-type: none"> • To determine feasibility of defining, creating and brokering a public sector peer-to-peer consultancy service – e.g. maturity assessment and gateway review

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12. The PPM business case identifies the following benefits that could be delivered via a NIP:

Benefit	Description
Cost avoidance for developing materials	Authorities avoid costs of developing bespoke PPM approaches and instead access tools and techniques developed and endorsed by PPM practitioners from the UK public sector.
Cost avoidance through collaborative project and programme delivery	Authorities avoid cost associated with delivering projects and programmes by being aware of similar projects and programmes in other authorities and having access to intellectual capital and expertise from those authorities.
Greater internal capacity to deliver PPM	The availability of staff having the necessary skills to lead and deliver projects and programmes is increased.
Better Project & Programme Management	There is more effective management and delivery of projects and programme.

13. The PPM business case suggests the following costed plan to deliver the NIP;

NIP PROJECTS	Estimate (Real)	Estimate (In Kind)
National and Regional PPM Networks / CoP & K-Hub	£31,808	£73,320
Senior Leader Offer / Elected Members Training	£17,272	£5,251
Online Maturity Assessment	£26,816	£14,057
Promote, utilise and maintain PSPMA / Project Directory	£16,972	£10,229
Collaborative Working	£14,950	£15,014
Learning and Development (L&D) / Portfolio & Project Management	£11,813	£15,659
New PPM Products and Tools	£21,282	£15,971
Peer-to-Peer Consultancy Services	£6,816	£15,971
Subtotal	£147,729	£165,472
NIP PROGRAMME MANAGEMENT	£17,282	£73,367
Subtotal	£17,282	£73,367
NIP TOTALS	£165,011	£238,839

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14. The PPM business case is therefore seeking for a NIP to be established initially via grant funding of £165,011 from the LGA.
15. Other funding requests maybe made to RIEPs, National Police Improvement Agency, Welsh Assembly Group, Improvement Service Scotland. Funding may also include direct contributions from the user community.
16. The reasons identified by the PPM business case in favour are;
 - 16.1 Establishment of direct organisational and governance partnership with LGA will strengthen central intelligence and responsiveness to sector-led PPM requirements and initiatives;
 - 16.2 Given the identification of requirements there is potential to fund subsequent activities through community contributions;
 - 16.3 Development of a series of working relationships with local authorities via the process of seconding local authority resources both provides access to public sector PPM expertise, develops in-house further expertise and reduces reliance upon external resources / consultants.
17. The PPM business case identifies that the arguments against include:
 - 17.1 Costs of setting up the NIP;
 - 17.2 Subsequent funding will be dependent upon the ability of the sector itself to resource and support sector-led requirements and activities.

Conclusion

18. Neither the LGA's business plan for 2011/12 nor the RSG topslice bid, which were both produced following significant consultation with the sector, identified support for project and programme management as a priority and therefore no budget has been set aside for such an initiative.
19. The business case proposal has been sent to the RIEP's for their views and whilst they felt sympathetic to its principles they did not consider it reflected LGA priorities and were not pressing the LGA to change its priorities in order that the proposal could be funded.
20. Derek Myers, Chair of SOLACE Management Board has written in supporting the bid. He states "I have reviewed the PPM National Improvement Programme

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business case. I am happy to support and sponsor the proposal on behalf of SOLACE. The case is strong and speaks to a clear requirement in local government – I see no other way to manage the scale of change we face in an orderly way.”

21. If the Board were of the view that the request should be supported in the current financial year then members would need to decide which current programmes should be scaled back or stopped to fund such an initiative.
22. Very usefully one RIEP suggests we explore funding via the Sector Skills Council for Justice which holds the remit for local government and is seeking to support local government skills development not covered by other specific sector skills councils. This may be appropriate to explore and build upon how the sector has organised a national network of PPM practitioners able to assist and support each other with the achievement of cost reductions and organisational benefits The further development of such a skill set adding value not only within the sector but also for other sector skills councils
23. Support from the LGA therefore could be the input of staff time to work alongside the PPM Collective Voice Steering Group to help them submit a bid to the Sector Skills Council for Justice.

Financial Implications

24. The report seeks members' views on whether the request for £165,011 to support the establishment of a National Improvement Partnership for Project and Programme Management should be supported. As indicated earlier there is no budget provision set aside in the current year to support such a proposal. Therefore, if Members were supportive of the proposal it would require some current programmes of work being scaled back or stopped.