

## **Programme Management Office (PMO) Update**

### **Purpose**

- 1.1 There are many factors that contribute to the successful delivery of programmes and projects.
- 1.2 Derby City Council's Programme Management Office (PMO) enables effective project management across the Council and provides an overview of programme activity and outcomes, which underpins delivery of the Council Plan.
- 1.3 The purpose of this report is to provide the Audit and Governance Committee with an update on developments with the PMO, since the report considered by the Committee in January 2023.

### **Recommendations**

- 2.1 To note the significant developments that have been made in the PMO function over the last 12-months; as set out in paragraphs 4.4 to 4.12.
- 2.2 To note the future priorities for improvement, set out in paragraph 4.13.

### **Reasons**

- 3.1 The purpose of the Audit and Governance Committee is to provide independent assurance to the council on the adequacy of the risk management framework and the internal control environment, and as part of this the committee reviews *"the council's arrangements for corporate governance against the good governance framework"*.
- 3.2 A critical 'ingredient' of 'good governance' is effective programme and project management, which supports in the achievement of positive outcomes for the city.

### **Supporting information**

#### **Background**

- 4.1 A good programme management office (PMO) ensures that projects in a multi-project environment run as smoothly as possible, in line with agreed standards, to achieve better outcomes for the city (*Project Management Office (PMO): Definition, Advantages & When Is It Good? (theprojectgroup.com)*).
- 4.2 Derby's PMO was established in September 2018, to develop a more consistent and robust corporate approach to managing projects.

- 4.3 In both September 2021 and January 2023, PMO update reports were considered by the Committee, which covered developments delivered alongside future opportunities for improvement.

#### Key developments over the last year

- 4.4 Presented below is a summary of the areas identified for further action, in the last report considered by the Committee, alongside a summary of progress that has been made during 2023/24, to date.

Action / priority	Status	Supporting information
More risk-based reviews of programmes and projects between gateways	Completed	<p>Monthly assurance meetings are in place with the Mobility Programme and OCOR – Our City Our River Programme.</p> <p>Reporting on negative changes in programme/project delivery confidence assessments RAGs is included within the monthly Corporate Health Dashboard reporting to the Corporate Leadership Team (CLT), to support horizon scanning and a risk-based assurance approach.</p>
Routine review of guidance and templates, including links with decision making	Completed	<p>A review of the PMP templates has taken place, with updates to the project plan and communications and marketing templates made. The climate change impact assessment has been integrated into the platform as a key document, to ensure it is in place during PMO assurance reviews.</p> <p>Engagement with the Project Manager Network has taken place to review the PMP and PMO assurance processes and guidance; making sure that colleagues have had the opportunity to influence content, given these are used so widely.</p> <p>The Assurance Team has also worked closely with the Project and Change Hub to align Delivery Board decision making with PMO assurance activities, maximising the use of our assurance capacity at the points where it will benefit the most.</p>
Central sources of project management and support to be put in place.	Completed	<p>The Project and Change Hub has been implemented to bring together project management resource.</p> <p>The Assurance Team have worked closely with the Project and Change Hub to align the Delivery Board and PMO activities, and to review supporting guidance.</p> <p>The Project Manager Network has continued to be a source of support, with regular meetings taking place.</p> <p>It should however be noted that some MiDerby updates to the PMP and PMO guidance have been delayed due to capacity challenges, but this is scheduled for completion within 2023/24 and progress has been made in the drafting of content.</p>
Annual review of programme and project activities for 2022/23, with an evaluation of impact	Completed	<p>A review of PMO activities was completed in September 2023 through a PMO development session, to understand impact and plan for the future.</p>

Action / priority	Status	Supporting information
Project training plan to be agreed	<b>In progress</b>	<p>A training plan is being developed for wider stakeholders for 2024 onwards, in the interim the Project Manager Network has been used to consider key topics; aiding knowledge sharing and development. Project Managers have also had the opportunity to attend risk management awareness training.</p> <p>Ad-hoc introductions to the PMP alongside PMO processes are delivered by the Assurance Team including targeted / bespoke training sessions, as required, for colleagues that request them.</p>
Development of a wider assurance framework.	<b>Some slippage</b>	Initial scoping discussions have taken place with Internal Audit colleagues; however, this activity has been delayed due to capacity and will be progressed in the final quarters of 2023/24.

- 4.5 Key to strengthening our oversight on programmes and projects has been the PMO Board, who have considered a variety of activities during the last year as illustrated below:



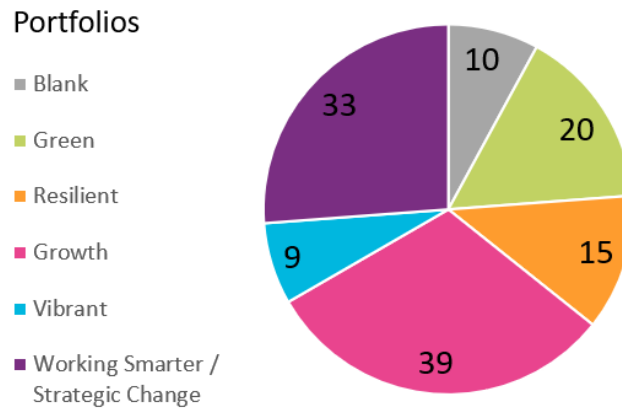
- 4.6 To strengthen the PMO gateway review process, an assurance report template was developed with input from project teams, the Assurance and Development (A&D) Group and the PMO Board, which was subsequently introduced in May 2023. The report is aligned with our project management methodology, essential documentation and processes. It provides a summary of assurance activities pre-PMO Board, which includes...

- evidence that key project documents are in place, alongside an assessment of their quality
- an evaluation of the current status of the programme or project based on the PMO Board's assurance based key lines of enquiry at each gateway stage
- an executive summary of the project outline, alongside recommendations from the Assurance Team and the A&D Group that, if implemented, will strengthen aspects of a programme or project, ahead of the gateway review
- a summary of areas for development with any responses / progress updates on the assurance recommendations delivered by the lead project team

- areas of good practice, and the next assurance review date and gateway.

4.7 It should also be noted that all gateway discussions through both the A&D Group and the PMO Board are appropriately recorded on a recommendations log, documenting the areas identified for further consideration alongside the outcome of these. This makes sure that we close the loop on assurance-based recommendations, and capture learning for future programme and project activities.

4.8 Our Project Management Platform (PMP) was launched in September 2021, and at the end of August 2023 there were 126 open programme and project sites, of which 75 programmes or projects meet the PMO gateway criteria. All aspects of our Council Plan 2022 – 2025 priority themes are represented...



*NB – those without an identified portfolio are reviewed by the Assurance Team.*

4.9 A PMO development session took place in September 2023, to bring together the Assurance Team, PMO Board and A&D Group members to review our current PMO processes, background, assurance role and function; and to discuss any future improvements. Opportunities for development that were identified in the session included...

- Finalising and implementing the PMP dashboards to allow more interactive real-time challenge and oversight, where we are awaiting IT colleagues to progress.
- Sharing learning on the progress and impact of the PMO with CLT and the Delivery Board, to shape future priorities.
- PMO and project governance training to be available for project managers, Senior Responsible Officers and Cabinet members, from 2024/25 onwards.

4.10 Additional areas that have been enhanced over the last year have included:

- the programme and project PMO pipeline is more robust and has integrated the Delivery Board pipeline to ensure strengthened alignment between boards. We are, where possible, working to ensure that gateway discussions are appropriately timed to add the most value through high challenge, high support
- there have been a number of risk-based reviews of complex or high-risk programmes or projects (i.e., mobility programme and OCOR), with assurance oversight maintained on a monthly basis
- the risk management strategy and handbook were refreshed in March 2023, which included updated project risk management guidance, inclusion of the project manager network and A&D Group in roles and responsibilities, and

additional risk review tools including a 'project risk review' template, to increase consistency and improve alignment of project risks within our risk management framework.

- 4.11 Alongside the work of the Assurance Team, the strengthened oversight that has been achieved through the developments made over the last year is increasing the likelihood of successful programme and project delivery, through timely and appropriate support and challenge.
- 4.12 The strategic risk rating for '*Ineffective project management governance*' has remained at nine (medium risk), recognising the wider factors that could influence successful programme and / or project delivery.

## **2024 developments**

- 4.13 Looking ahead to 2024, several areas have been identified for further work...
- Updated PMO guidance pages on MiDerby.
  - Project Manager Network and SRO refresher training session on the PMO, project governance and assurance.
  - Further strengthened and embedding alignment with Cabinet, CLT and Delivery Board decision making processes, to ensure we achieve maximum benefit from all aspects of our oversight.
  - The development of a wider assurance framework with Internal Audit colleagues.
  - Further consideration of the Best Value framework criteria, and opportunities for development following an initial self-assessment of Derby's current position against the edition consulted upon in 2023.
- 4.14 An update report will be presented to Audit and Governance Committee in January 2025, with any new or emerging programme/project risks reflected within the six-monthly risk assurance report.

## **Public/stakeholder engagement**

- 5.1 Developments in PMO process are informed by feedback from project personnel and senior leaders.

## **Other options**

- 6.1 None.

## **Financial and value for money issues**

- 7.1 The PMO functions support the Council to ensure there is appropriate challenge of business cases and project activity through a Gateway process, with robust monitoring of spend and deliverables, overseen by the PMO Board.

## **Legal implications**

- 8.1 None arising from this report.

## Climate implications

- 9.1 The work of the Assurance Team is to raise awareness and ensure effective challenge on project development and delivery, which includes influence on climate matters within targeted programmes and projects. The specific benefits of these will be contained within project documentation and associated reports.



## Socio-Economic implications

- 10.1 None arising from this report.

## Other significant implications

- 11.1 None arising from this report.

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal	Emily Feenan - Director Corporate governance, Procurement and Property	19/12/2023
Finance	Alison Parkin – Director of Finance (S151)	19/12/2023
Service Director(s)	Heather Greenan – Director of Corporate Management	22/12/2023
Report sponsor	Verna Bayliss – Director of Planning, Transportation and Engineering	08/12/2023
Other(s)	Richard Boneham – Head of Internal Audit	04/12/2023

Background papers:	Audit and Governance Committee – January 2023 Report - <a href="#">Standard report template Derby City Council</a>
List of appendices:	None.