

PROGRAMME AND PERFORMANCE MANAGEMENT REVIEW

Agenda Item 5d

Contact Details:- Chris Fleetham
Designation:- Corporate Director
Ext. No:- 2800
E Mail Address:- chrfl@braintree.gov.uk

Background Papers:- Shaping Up For Excellence: -

- Project Management Future Report – 25th September 2008 (Alexander Consulting)
- Performance Management Review Report – 2nd October 2008 (Alexander Consulting)
- Performance & Efficiency Programme Board minutes – 27th November 2008

Financial Implications:- (See paragraph 7 & Appendix D of the report)
Equalities Implications:- None Identified
Legal Implications:- None Identified
Options: To agree or to amend the proposals
Risks:
(1) The expected benefits are not delivered
(2) Appropriate staff are not attracted to one-year fixed term posts

EXECUTIVE SUMMARY

Following a review of the Council's current project and performance management procedures by Alexander Consulting, it is proposed to set up a Programme Management Office (PMO), initially for one year to: -

- Improve project management execution and delivery
- Develop project management capability and capacity
- Improve the performance management of our business
- Ensure the alignment and integrated deployment of resources to ensure delivery of the corporate strategy objectives
- Improve and maintain corporate governance
- Improve financial management

The role of PMO will be to ensure that there are sufficient resources and expertise available to ensure completion of agreed projects and that appropriate processes and governance arrangements are adhered to. It will provide mentoring and coaching and provide communication and visibility on projects and proposed improvements to performance.

The success of the new arrangements will be reviewed nine months after they have been set up, with a view to deciding whether or not they should continue.

DECISION

To agree to setting up a Programme Management Office for the period of one year as detailed in the report.

PROJECT AND PERFORMANCE MANAGEMENT

1.0 **Background**

As part of the Shaping Up For Excellence Programme, Alexander Consulting was commissioned to: -

- (a) Review the current project management system
- (b) Review the current performance management system

Each review was undertaken by gathering information, one-to-ones with over twenty stakeholders, on-site evaluation of the toolkits, specific approaches, current business processes and relevant systems.

The executive summaries from the reviews are attached at Appendix A and Appendix B, but in short they suggest that changes in systems and processes, culture and leadership need to take place if we are to improve the performance of the organization and the delivery of key projects.

2.0 **Current Position**

(a) Project Management

Whilst the Council does have a project management toolkit for project managers to follow, there is no central support to assist managers with governance arrangements, resource planning, financial management and communication. Also, it is not clear who is responsible for development of the process and toolkit.

(b) Performance Management

Currently, we have a Quality Management Advisor (SMG1) and a Quality Systems Administrator (Grade 3) reporting to the Head of Corporate Policy, who spend a proportion of their time on performance management, However, this has become focused on producing the information for the quarterly report, leaving no capacity to assist managers with looking at how to improve performance.

3.0 **Proposal**

It is proposed to set up a Programme Management Office (PMO), which will be responsible for programme, project and performance management, including the following functions: -

- Review and involvement in governance and financial management
- Resource management and planning
- Standardise processes and working practices
- Provide visibility and communication for projects and performance
- Build awareness and provide education
- Mentoring and coaching support
- Toolkit development and implementation

- Develop the capability and maturity of the Council
- Decision support to business planning
- Reporting for performance and project management
- Information and change control management
- Standards and quality control for project management
- Support audit and adherence to processes

Anticipated benefits from setting up a PMO are: -

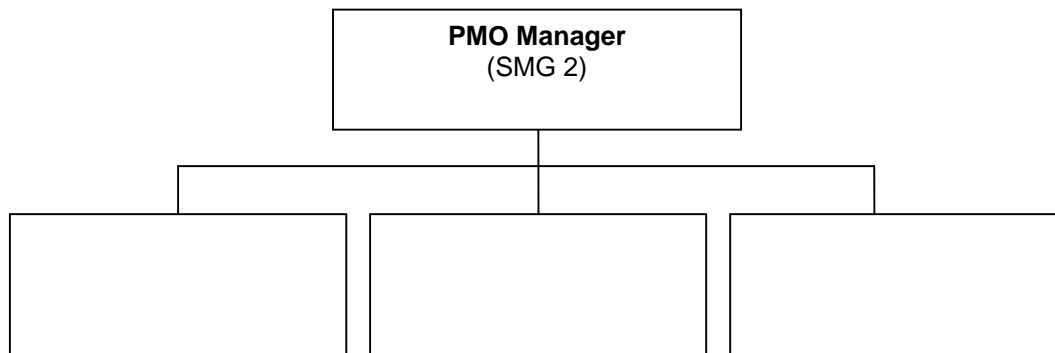
Project Management: -

- Increased utilization of the Council's resources
- Better co-ordination and control of projects
- Projects delivered on time and increased value for money
- Increased financial management control
- More potential for attracting additional funding
- Better measurement and tracking
- More projects delivered

Performance Management: -

- More structured and formalized ways of working
- Shorter quarterly report compilation time
- Increased management buy in, commitment and accountability
- More attention and resources directed towards the Council's goals
- Increased challenge and improved performance
- Increased rectification action and delivery of improvements

The proposed structure is as follows: -



Outline role profiles for the above posts are attached at Appendix C. (Full role profiles are currently in draft).

The final position of the PMO function and reporting arrangements are still to be considered by the Council's management board.

These arrangements are proposed for a twelve-month period, with a review of the position after nine months, to ascertain whether or not the PMO can demonstrate it has added value.

(It is also proposed that the management and administration of the Internal Quality Audits will be transferred to the Internal Audit section).

4.0 Staffing Impact

The posts of Quality Management Advisor and Quality Systems Administrator do not exist in the proposed structure.

Therefore, assuming these proposals are agreed, the employees will be at risk of redundancy and if they fail to secure a post in the new structure, they would then be eligible for protection under the staff stability scheme.

However, the Quality Management Advisor is currently working on project support within the Operations function and it is possible that this may become a permanent arrangement following a review of that service area, which is currently being carried out.

5.0 Consultation

Consultation with the staff and trade unions on these proposals commenced on 8th December 2008 and was concluded by 4th January 2009. No formal objections to the proposals have been received.

6.0 Timescales

Subject to the Cabinet agreeing to these proposals tonight, it is envisaged that the posts will be advertised as soon as possible and that the PMO will be set up in April/May 2009.

7.0 Financial Implications

The proposals will result in additional costs of £79,100 for one year (see Appendix D). It is proposed that £50,000 should be met from next year's capital programme and £29,100 from savings identified in the current base budgets.

If after the project is reviewed it is decided to continue with the PMO, it is proposed that the above funding arrangements will continue.

8.0 Recommendations

That Cabinet agrees to setting up a Programme Management Office for the period of one year as detailed above.
