

Isle of Wight Council

Project Management Framework

August 2019

1 Document Information

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3 How to use this document

This document contains a great deal of detail on project management best practice which is more for reference. Section 5 contains specific processes and structures relevant to the Project Management at the Isle of Wight Council and should be used as a guide when starting or managing projects. The detail on how to apply those processes can be found in Sections 6 onwards.

4 Introduction

4.1 The Isle of Wight Council is subject to continual change. A key challenge for the organisation is to succeed in balancing two parallel, competing requirements. These are to:

- maintain business as usual
- transform business operations to achieve the council's vision for the Isle of Wight to be an inspiring place in which to grow up, work, live and visit

4.2 Projects are how we introduce change and the application of project management techniques is important in the planning, delegating, monitoring and control of all aspects of a project. This framework is based loosely on the Projects in Controlled Environments (PRINCE2) methodology which is recognised as best practice by the UK Government.

The PRINCE2 methodology has three core concepts which are: -

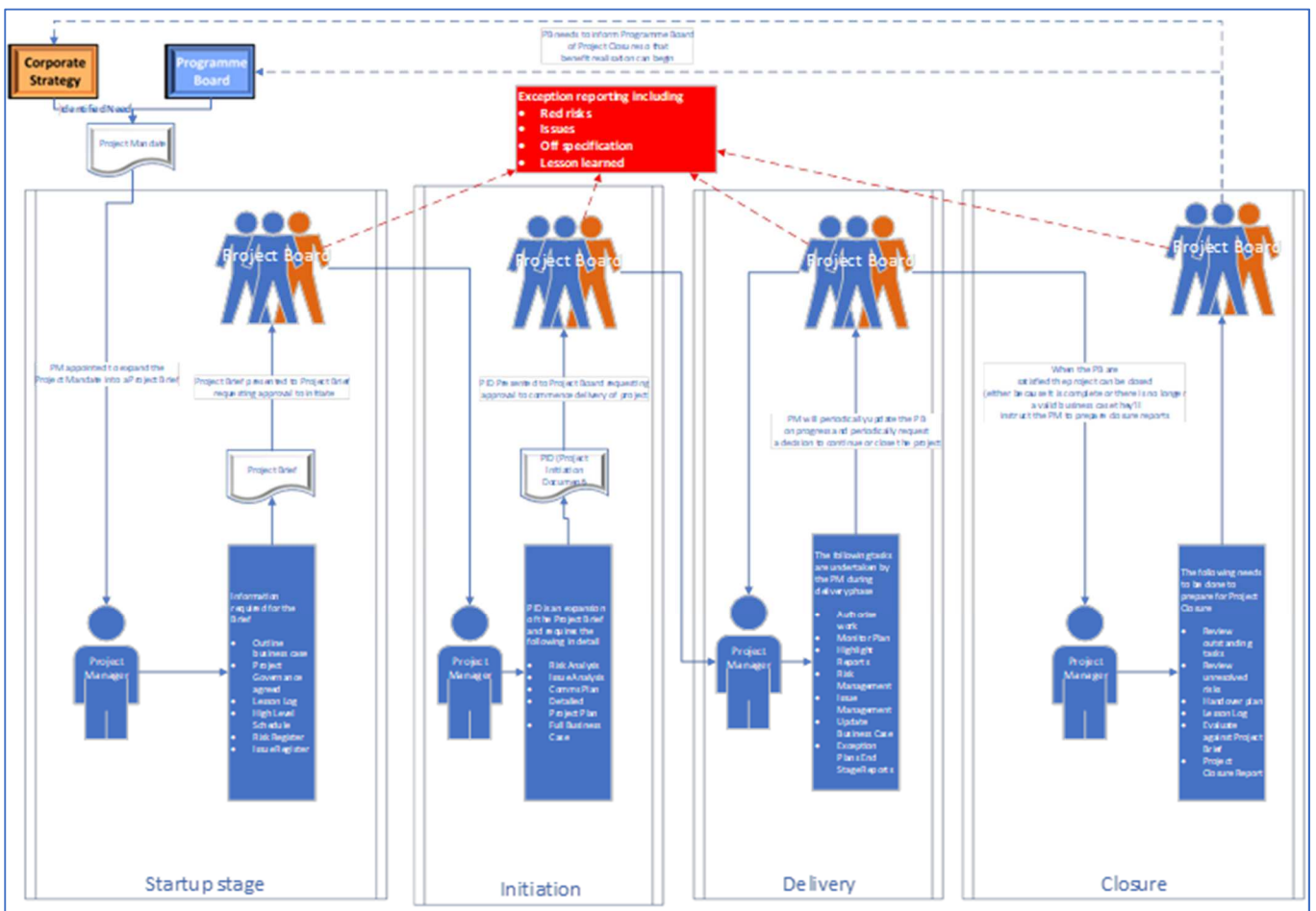
- Principles – the common factors that underpin the success of any project.
- Governance themes – to allow organisations to put in place the right controls and control information to give the best chance of delivering the planned outputs and capabilities to realise the desired benefits
- Transformational flow (the processes) – to provide a route through the lifecycle of a project from starting a project, through directing, managing and delivering, to finally closing the project.

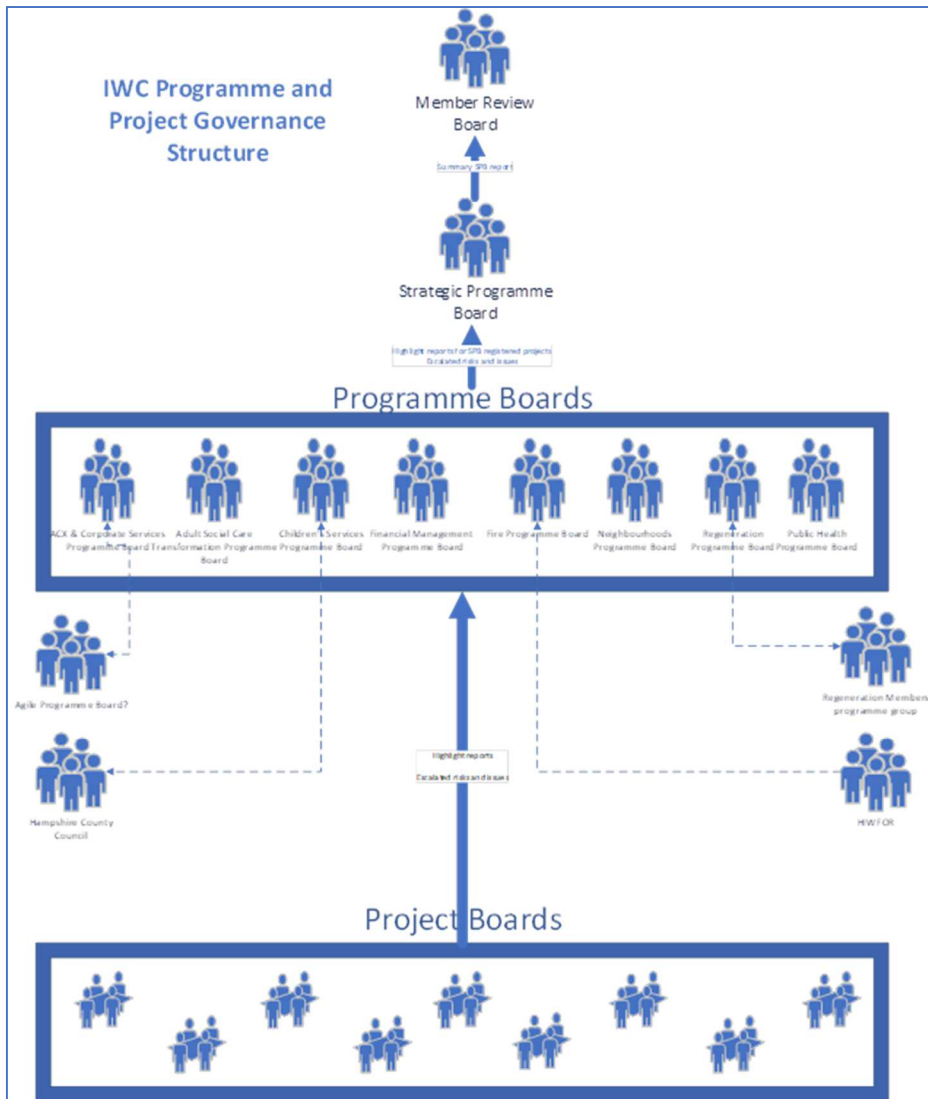
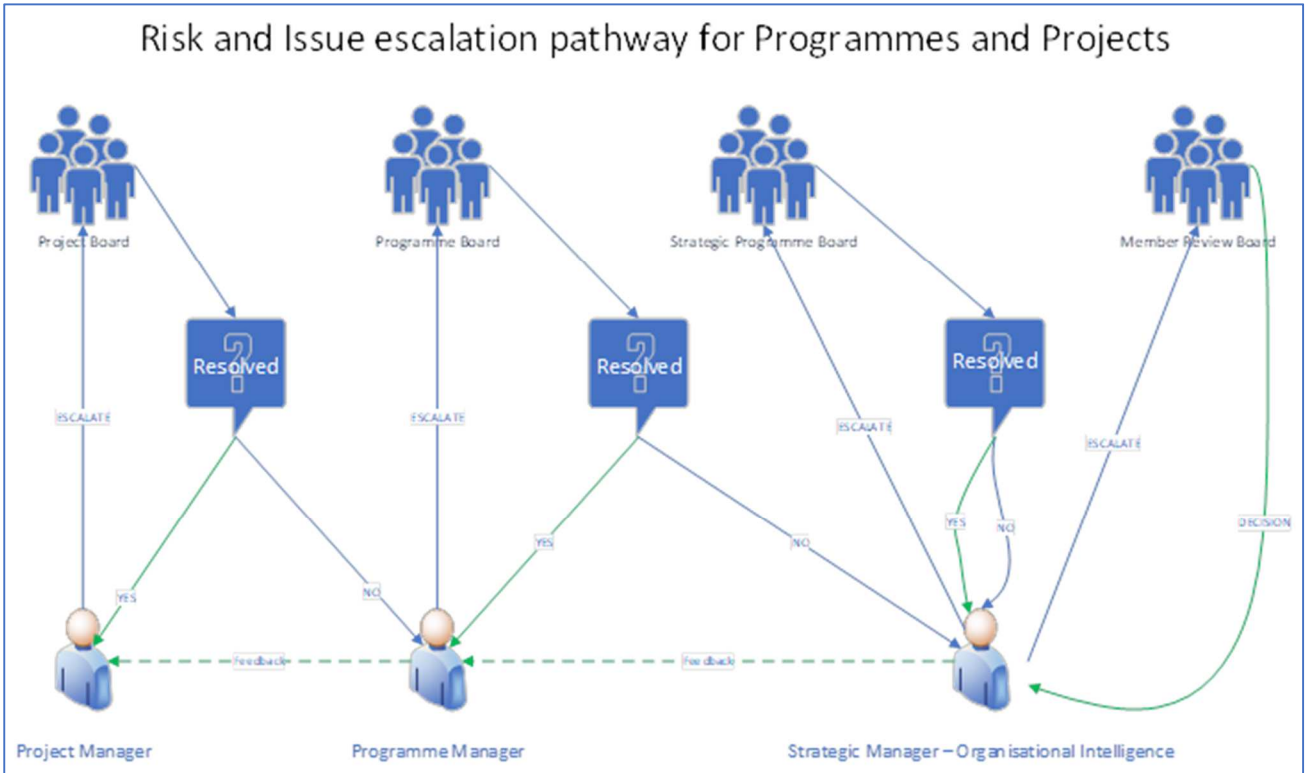
3.5 This document should be read in conjunction with the tools and templates that can be found on the Organisational Intelligence Wightnet pages which can be accessed via the following link: <http://wightnet.iow.gov.uk/wightnetcontent/organisationchange/projectsupport.aspx>

5 Summary of Project Management in IWC

- 5.1 Project management is a set of tools or a roadmap that guides a project from point A to point B and does so in a way that demonstrates efficiency, effectiveness and delivers the right outputs. However, it is always important to consider what is proportionate in terms of a project management approach depending upon the size, importance and contribution it will make to the delivery of the council's corporate priorities.
- 5.2 This document therefore aims to set out the approach the Isle of Wight Council takes to the management of its projects and the necessary project management techniques that need to be applied. By following this approach, it will be possible to:
- understand the justification for the project
 - meaningfully control projects from start up to close down
 - identify and manage the resources necessary for successful delivery
 - evaluate success

An overview of the relationship between project and programmes and their respective governance and documentation are shown in the diagrams below.





6 Key Definitions

- 6.1 Projects are defined as temporary organisations that are created for the purpose of delivering one or more business outputs according to an agreed business case.
- 6.2 A project is a set of time-limited activities undertaken to deliver a set of specific outputs. It will have definite start and finish dates; a clearly defined end state as well as a defined set of financial and other resources allocated to it. Benefits are achieved after the project has finished and the project plans include activities to plan, measure and assess delivery and the benefits achieved.
- 6.3 Contrastingly programmes are defined as temporary, flexible groups created to coordinate, direct and oversee the implementation of a set of related projects and activities to deliver outcomes and benefits related to the organisation's strategic objectives or priorities.
- 6.4 In summary the key concept is that programmes achieve outcomes and realise benefits whilst projects deliver outputs and capabilities.

7 Principles of Project Management

- 7.1 There are seven key principles that it is good practice to adopt when managing a project. They are universal in that they should be applied to every project and they have been proven in practice over many years. The principles are also empowering because they should give project managers added confidence and ability to influence and shape how their project will be managed.
- 7.2 The principles are: -
- Ensure continued business justification
 - Learn from experience
 - Define roles and responsibilities
 - Manage by stages
 - Manage by exception
 - Focus on outputs
 - Tailor management to suit the project

7.3 Continued business justification

Every project requires a justifiable reason for starting which is recorded and approved at the appropriate level of governance in the organisation. The project justification should be linked to the service's business plan and aligned with the outcomes of the council's Corporate Plan. The document which records this is the Business Case.

The business case drives decision making to ensure the project remains aligned with the benefits being sought to contribute to the business objectives. The business case should be reviewed and re-evaluated throughout the life of the project to ensure the justification remains valid.

If the project justification changes it is important that the business case is reviewed. If a project can no longer be justified, then it should be stopped. Stopping a project in these circumstances can free up funds and resources that can be reinvested in more worthwhile projects.

7.4 Learn from experience

Projects will often begin knowing what is to be achieved but less often how exactly to achieve it. The council has a wealth of experienced project officers across all directorates from which to gain advice.

When starting a new project previous or similar projects (from within and/or external to the council) should be reviewed to see if lessons learned could be applied. As the project progresses lessons should be sought, recorded and acted upon. They should be captured in a Lessons Log and used to implement improvements, and when the project ends these lessons should be passed on to other projects.

7.5 Defined roles and responsibilities

To be successful a project must have defined roles and responsibilities within a governance structure that engages the business, user and supplier stakeholder interests. Projects involve people, and the right people need to be involved and they need to know what is expected of them and what to expect from others.

All projects have the following primary stakeholders:

- business sponsors who endorse the objectives and ensure the project provides value for money for the council
- users who will once the project is completed use the outputs of the project to gain the expected benefits
- suppliers who provide the resources and expertise to deliver the project outputs

More detail on roles and responsibilities is included in section 9.

7.6 Manage in stages

Successful projects are planned, monitored and controlled on a stage by stage basis. A stage is the section of a project that a project manager is managing on behalf of the project board at any one time. At the end of each stage the Project Board will review the progress to date against the project plan, review the business case, reassess the risks to decide whether to continue with the project.

Projects should also be broken down into discrete, sequential management stages. The number of stages will depend on: -

- the size and complexity of the project - how far ahead is it sensible to plan?
- significant decisions and control points linked to financial, business or technical decisions
- the amount of risk in a project
- the amount of control required by the Project Board.

A project should have a minimum of four stages, although in smaller projects the first two are often combined: -

- **Pre-project stage** – the Project Mandate is received which provides a high-level definition of the project's objectives, scope, constraints, benefits, risks and cost. The Project Sponsor and the Project Manager are appointed together with members of the project team. The Outline Business Case is prepared, and the Project Brief is developed which adds more detail to the mandate.
- **Initiation stage** – this establishes the project management approaches and controls, develops a Full Business Case and a means of reviewing the benefits. The Project Initiation Document (PID) is produced which brings together all the key information. At the end of this stage the PID is reviewed by the Project Board to decide to authorise the project.
- **Management stages** - where the project manager assigns work, ensures progress is in line with the approved plan, checks the forecasts for the projects agreed targets are within tolerance, manages risks and issues and provides regular highlight reports to the Project Board. For a complex project there can be many management stages.
- **Close-down stage** – to review the performance of the project against the Brief, assess the benefits already realised and plan any review of benefits that will be realised after the project is complete. This last stage addresses any open issues and risks and recommends any follow-up action required. It also provides assurance that all the work has been completed, all agreed project management processes have been executed and that everyone agrees that it is completed. The closure of a project is formally approved by the Project Board.

7.7 Manage by exception

To ensure an appropriate level of governance a project needs to have a defined set of tolerances for each objective to establish the limits of delegated authority. By implementing management by exception senior officer time is used efficiently, without removing control, by ensuring decisions are made at the right level in the council.

Tolerances are usually set against time, cost, quality, scope, risk, issue and benefit. For example, a benefits tolerance might be set against a plus or minus 2 per cent range of increased income generation. Any difference outside of this tolerance would have to be reported to Project Board.

7.8 Focus on outputs

Projects that focus on what the project needs to deliver (the outputs) are generally more successful than projects whose primary focus is the work activity. There must be a clear understanding across all stakeholders of what the outputs of the project are going to be and this needs to be agreed and defined prior to starting work on delivering them. Defining the outputs of the project defines the scope and provides the basis for planning and control.

7.9 Tailor to suit the project

The purpose of tailoring the project management methodology is to ensure that individual project controls are based on the project’s scale, complexity, importance, capability and risk. If the project is a small one such as to host a conference with 50 people or a very large one like building a new school, then the methodology used will be different. Tailoring is not an excuse for omitting documentation but rather understanding what level of detail is required to ensure control is maintained.

8 Governance Themes of Project Management

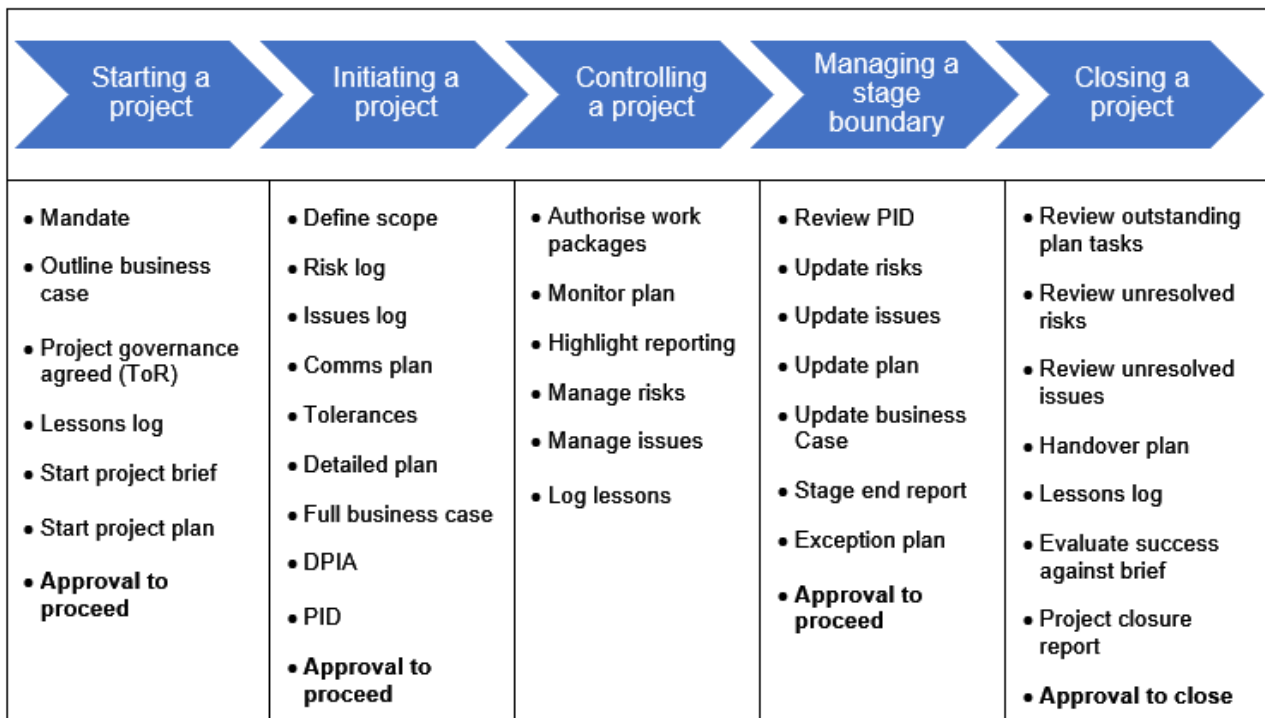
8.1 The project management governance themes describe the aspects of good project management that must be addressed continually as the project progresses through its life cycle. Themes can be tailored to the project according to its risk, scale, nature, complexity or simplicity to create appropriate levels of procedure and control.

Theme	Description	Answers the question
Business case	<p>The business case provides the structure to judge whether the project is desirable, viable, achievable and worth the continued investment.</p> <p>It should be reviewed and updated regularly throughout the project to ensure the justification for the project remains valid.</p>	Why?
Organisation	<p>This is the governance and makeup of the project team, the project board and the programme board it reports to i.e. the project’s structure and accountability.</p> <p>Roles and responsibilities should be clearly defined and there must be an effective strategy to manage communication from and to stakeholders.</p>	Who?
Quality	<p>Initially the project will only be understood as a broad outline. The purpose of this theme is to define and implement how a project will verify that its outputs meet business expectations i.e. the project scope and its controls</p>	What?
Plans	<p>Project plans detail the actions to deliver the project outputs. They should be matched to the needs of the people they are aimed at and are the focus for communication and control throughout the project.</p>	<p>How?</p> <p>How much?</p> <p>When?</p>

Theme	Description	Answers the question
Risk	Risk is an uncertain event or set of events that if they should occur would have a positive or negative effect on the project. Projects require the structure and controls to manage risks which in turn will improve the ability of the project to succeed.	What if?
Change	For each project it is crucial to have a systematic approach to manage and control issues which have a potential impact on the project plan and outputs.	What is the impact?
Progress	Projects require the mechanisms to monitor and compare actual achievements against those planned, provide a forecast for the project objectives and the project's continued viability, and control any unacceptable deviations.	Where are we now? Where are we going? Should we carry on?

9 Transformational flow – the IWC project lifecycle

The project lifecycle steps that must be followed are detailed below:-



9.1 Starting a project

The Starting a Project process takes place prior to the project going live. It is triggered by the project mandate usually produced by the project sponsor or commissioner. The mandate is simply a high-level document which explains the reasons and objectives for the project as well as initial estimations of time and cost. Its purpose is to ensure the project is viable and worthwhile, aligned with council objectives and there is the necessary authorisation in place to move to Initialising a Project.

The activities involved in Starting up a Project are: -

- Appoint the Sponsor and the Project Manager
- Capture previous lessons from similar projects in a Lessons Learned Log
- Agree the project management team
- Prepare the outline Business Case
- Start work on the more detailed project brief
- Plan the next stage

9.2 Initiating a project

The purpose of the Initiating a Project step is to establish a solid foundation for the project. This will enable the council to have a clear understanding of the work that needs to be done to deliver the outputs (the scope), the benefits of doing this work, how much it will cost, what resource will be needed, what the risks maybe and how long it will take.

In this step a Data Protection Impact Assessment should be undertaken for the project to identify and minimise data protection risks. It is a key part of the council's accountability obligations under GDPR, and when done properly helps assess and demonstrate we comply with all data protection obligations. A DPIA should form part of the PID documentation and the outcomes integrated into the project plan. Throughout the project the DPIA is monitored and reviewed.

There are eight activities involved in Initiating a Project: -

- Approve the expected outputs (scope) – so stakeholder expectations are clearly stated and understood
- Approve the risk management approach - risk logging, controls and reporting
- Approve the change control approach – issue logging, controls and reporting
- Approve the communication management approach – for internal and external stakeholders
- Approve the project controls – allocating various levels of decision making so the project board can control the project (tolerances)
- Approve the detailed project plan - which covers risks, timescales and costs.
- Refine and then approve the business case – add greater and more accurate detail
- Assemble then approve the Project Initiation Documentation (PID) to bring together the key information for the project

9.3 Controlling a stage

Once the project is underway the project manager is responsible for controlling the management stages. Work will be assigned and monitored, emerging risks and issues dealt with and progress reported to the project board. Day to day control of the work being undertaken is central to the success of the project.

The three activities in this part of the project lifecycle are: -

- Authorising work packages – define, allocate and agree tasks and deadlines
- Monitoring and reporting – checking progress on a timely basis and providing the Project Board with regular highlight reports and capturing lessons learned
- Managing issues and risks – identify, capture and assess the project impact of emerging issues and risks. Take the necessary mitigation action in accordance with the agreed tolerances and escalate to Project Board as part of exception reporting.

9.4 Managing a stage boundary

At the end of a stage the project manager should provide the Project Board with enough information to be able to review the success of the current stage, approve the plan for the next stage, review the updated plan and assess the project risks. This will allow the Project Board to confirm the projects continued business justification and give approval for the project to continue.

It is important to recognise that projects can go wrong or be affected by external factors that invalidate the business justification e.g. a change in legislation. Ensuring early identification of potential failure is the project manager's responsibility and allows the project board the opportunity to make an informed decision. A decision not to proceed with a project is not failure. However, failing to provide timely and sufficient information to the Project Board may lead to wrong decisions.

The key activities are: -

- Plan the next management stage – review the PID, update risks and issues
- Update the project plan – review deadlines, tasks and owners, and changes
- Update the business case – check impact of issues and risks, review benefits, update timescales, costs and resources
- Report the management stage end – project manager provides a full report to the board on progress to date and the continuing viability of the project
- Produce an exception plan – required if the project is forecast to deviate beyond its agreed time, cost and quality tolerances and approved by the project board

9.5 Closing a project

The purpose of the formal stage of closing a project is to provide a fixed point at which the project ends, and activities transfer to business as usual. It formally recognises that the original objectives in the brief have been met (subject to any approved changes) and the

project team can be disbanded. It also transfers ownership of any products, unachieved tasks or undelivered benefits to the business.

In some situations, a project may close prematurely. In this case the closure stage must ensure that work in progress is not simply abandoned but the project salvages anything of value created and checks that any gaps left by the cancellation of the project are raised with the Project Board, the business areas and any corporate teams e.g. legal, procurement, ICT etc.

The key activities in closing a project are: -

- Prepare a planned closure – update the plan including any outstanding tasks, review unresolved risks and issues, assess achieved outputs and benefits
- Hand over to the business – agree and approve the responsibilities of the business including the completion of any undelivered tasks or benefits, issues or risks
- Evaluate the success of the project – assess success against the original brief, review the project team’s performance and update the lessons log.

Recommend project closure to the Project Board – prepare a project closure report for project board summarising the success (or otherwise) of the project including the updated documentation, handover plan and any post-project reviews

10 IWC Project & Programme Governance and Categorisation

Individual projects are governed by project boards which in turn are responsible to a Directorate’s Programme Board. Every project should provide a regular project highlight report both to its Project Board and to its Programme Board to ensure the appropriate level of scrutiny and governance is applied. Highlight reports for strategic projects (see 8.1 project categories) will be passed onwards to the council’s Strategic Programme Board and the members Review Board if appropriate.

The council’s governance structure for projects and programmes is shown below.



10.1 Project categories

With so much improvement work taking place across the organisation its crucial to organise and categorise projects, so they can be tracked and reported appropriately within the council’s governance structure above.

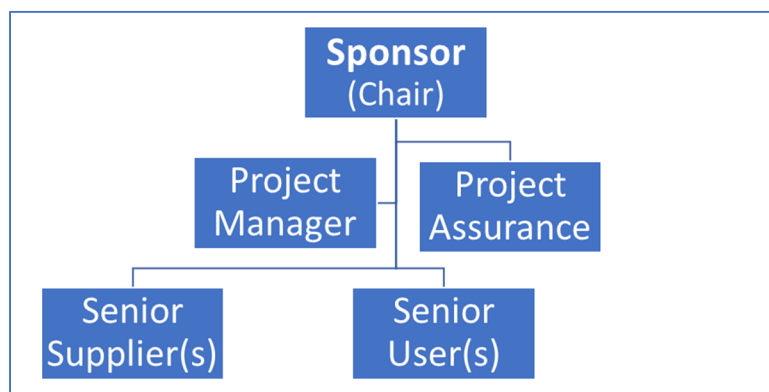
Using a Cost of Resources vs Reputational Risk matrix (see below) a category can be established for each project. Projects that fall into category 3 will be monitored through to Strategic Programme Board level and potentially to the Members Review Board.

		Category		
		3	3	3
Cost or Staffing Resource	– £1M or more – Involves multiple departments or teams across multiple Services or Directorates – Property capital values	3	3	3
	– £100K to £1M – Involves multiple departments or teams within a single Service or Directorate – Property capital values	2	3	3
	– Below £100K – Contained within department or team – Property capital values	1	2	3
		– Impact contained internally in the organisation	– Effects how services or functions are delivered externally – Effects other organisations and partners – Is politically sensitive	– Impacts on the health and wellbeing of service users that may have a large reputational impact. – May affect the outcome of external inspections such as Ofsted. – Impacts on a large proportion of the population.
		Reputation		

11 Roles and Responsibilities within Project Management

11.1 PROJECT BOARD

The Project Board is responsible to a Directorate Programme Board for the overall direction and management of the project. It has responsibility and authority for the project as defined by the Programme Board in the Project Brief. The frequency of board meetings should be set with regard to the size and complexity of the project, significant decisions and control points (linked to financial, business or technical decisions), the amount of risk in a project and the amount of control required by the Project Board. Minutes should be taken to ensure decisions/approvals are recorded and their rationale clearly captured.



Responsibilities

At the start of a project the Board:

- Gives approval for the project to proceed via acceptance of the Project Brief
- Agrees with the Project Manager their role and responsibilities
- Specifies quality assurance and any other constraints
- Confirms tolerances with Directorate Programme Manager
- Approves Project Initiation Documents (PID)
- Delegates Project Assurance role
- Commits resources required for the project
- Ensure appropriate communication relating to the project takes place with relevant stakeholders

During the project the Board:

- Provides guidance and direction to the project keeping it within the agreed constraints
- Reviews each stage and approve progression to next
- Approves, where appropriate, any Requests for Change
- Ensures compliance with Directorate Programme Management directives e.g. from the Programme Board
- Ensure appropriate communication about the project takes place with relevant stakeholders

At the end of a project the Board:

- Assures that all outputs have been delivered and to required standards
- Approves the project closure report
- Approves Lessons Learned Report and passes to the appropriate authority for action
- Notifies the Directorate Programme Management of project closure
- Approves Post-Project Review Plan
- Ensure appropriate communication about the project takes place with relevant stakeholders.

Membership

Membership of the board is restricted to those fulfilling the specific project roles shown below. Whilst, on occasions, other individuals may be invited to attend meetings to provide specific information to support the Project Board's decision-making this does not indicate or constitute membership or a right to attend.

- Project Executive/Sponsor (Chair)
- Project Manager
- Senior User(s) (Staff)
- Senior User(s) (Non-Staff)

- Senior Supplier(s) (Staff)
- Senior Supplier(s) (Non-staff)
- Project Assurance - adviser to Executive, attends the board but is not a member

Responsibilities of individual Project Board members

Board members should be fully aware of the responsibilities of their role as outlined in the Terms of Reference for that project board and have given an undertaking to carry them out. Members should agree to prioritise their attendance at board meetings and that although they may delegate tasks the responsibilities remain with them. Therefore, no substitutions can be made with regard to board attendance.

Project Executive/Sponsor (Chair)

- Oversees development of the Project Brief and Business Case
- Ensures coherent governance arrangements and project plans are put in place
- Authorises expenditure
- Sets stage tolerances for time, budget and quality
- Strategic monitoring and control of project
- Checks changes in scope, budget or time for impact on the Business Case
- Ensures that risks are effectively managed
- Briefs Directorate Programme Manager about project progress
- Organises and chairs Project Board
- Reports to Directorate Programme Board if project exceeds, or anticipate that will exceed agreed tolerance and recommends appropriate action
- Signs-off project closure report and lessons learned and approves project closure
- Ensures project benefits are realised
- Holds post-project review and report results to Directorate Programme Board and stakeholders

Project Manager

- Authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by them
- Directs and motivates the project team
- Ensures adequate project administration is in place
- Plans and monitors the project
- Produces key project documents and regular reports for Project Board sign-off
- Manages project risks and associated plans
- Liaises with Directorate Programme Manager
- Responsible for Change Controls and Configuration Management

- Prepares Project Highlight Reports and End Stage Reports for the Project Board
- Agrees technical and quality strategy with the Project Board
- Prepares Lessons Learned, Project Close and any follow-on action reports

Project Assurance

Reports to the Project Executive/Programme Director (adviser role, attends the board but is not a member) to give them confidence that:

- The project/programme is being effectively managed
- Project/programme good practice is followed
- The project/programme is on track
- Advises the Project Manager and Team Manager/Programme Manager and Business Change Manager on project and programme management best practice
- May liaise with the Senior Users to provide confidence that user requirements are being met
- May liaise with the Senior Suppliers to provide confidence that supplier standards and procedures are being met. For projects with a commercial supplier this role should be carried out by somebody separate to the main assurance function in order to avoid conflict of interest. Dependant on the type of project, alternatives may be found from areas such as procurement, contract management in the business area concerned or legal services.

Senior User

- May chair any user groups or forums
- Ensures project requirements are fully and accurately specified in the Business Case
- Specification of the quality of the outcomes
- Resolve user requirement conflicts
- Monitors that the quality, functionality and ease of use of the outcomes meets user need
- Ensures release of required user resources to the project

Senior Supplier

- Accountable for the quality of outputs delivered by the supplier
- Agrees objectives for supplier activities
- Resolves supplier requirement conflicts
- Ensures release of required supplier resources to the project
- Undertakes Project Assurance from the supplier perspective (supplier assurance).

12 Documentation required within the Project Management Framework

The table below shows the standard documentation required to manage a project. Documentation should be reviewed and updated regularly and approval for changes sought at the appropriate level of governance.

Tailoring of documentation is needed to suit a project's circumstances. For simple projects the level of detail in the documents can be far less than for a more complex, riskier project. Similarly, some documentation can be combined (risk & issues, brief & PID) on some projects. Tailoring is not an excuse for omitting documentation but rather understanding what level of detail is required to ensure control is maintained. The Project Board should agree to any tailoring.

Templates for these documents can be found on the Organisational Intelligence Wightnet pages which can be accessed via the link below: Project officers from that team can provide guidance on documentation and tailoring and act as project assurance if required.

<http://wightnet.iow.gov.uk/wightnetcontent/organisationchange/projectsupport.aspx>

Document	Starting up a project	Initiation	Controlling a stage	Managing a stage boundary	Closing a project
Mandate					
Lessons log					
Roles & responsibilities (ToR)					
Outline business case					
Project plan					
Project brief					
Detailed business case					
Risk log					
Issues log					
Communication plan					
DPIA					
PID					
Work package					
Highlight report					
Exception report					
End stage report					
Handover plan					
Closure report					