

Transformation Decision Framework

The Transformation Decision Framework sets out guidelines for use by project and programme professionals to support consistency in managing and reporting programme health across the Transformation Portfolio. Use of the framework throughout the programme/project lifecycle aims to increase quality and consistency when managing project/programmes and when reporting to Transformation Programme Boards, Directorate Change Boards (DCB), and Executive Leadership Team (ELT) meetings. This framework is flexible and can be applied across various projects and programmes beyond the Transformation Portfolio, ensuring consistency in reporting and escalation.

The Transformation Decision Framework will cover the below four sections:

- 1. Risk Management** (*Pages 2-5*)
Guidelines and tolerances to support consistency in the assessment and reporting of risks across the Portfolio.
- 2. Programme RAG Status** (*Pages 6-8*)
Guidelines to support consistency when assessing and reporting the overall health and status of a programme.
- 3. Escalation** (*Pages 9*)
Guidelines to assist Programme and Project Managers in determining when and where to escalate items for information and approval. This focuses on items being escalated from Programme Boards to the Directorate Change Board and/or the ELT.
- 4. Lessons Learned** (*Pages 10-11*)
Guidance on the type of transferable lesson, which may be useful to share with other Projects or Programmes, with the intention of ensuring continuous learning across projects, programmes the portfolio and the organisation.

1. Risk Management

The below guidance can be used when assessing, escalating and reporting risks, ensuring consistency across the Transformation Portfolio. This can be used when identifying, scoring, reviewing and reporting risks that may impact on the success of the programme/project. It can also be used to support conversations with the Senior Responsible Owner (SRO). This approach aligns with the Corporate Risk process.

Probability

Probability	Rare	Unlikely to Occur	Possible	Probable	Almost Certain
Score	1	2	3	4	5
Frequency: <i>When do you expect it to happen?</i>	This will probably never happen	Not expected to happen over the life cycle of the programme	Might happen within the life cycle of the programme	Is likely to happen within the life cycle of the programme	Is expected to happen within the lifecycle of the programme
Likelihood: <i>chance of it happening over the lifecycle of the programme</i>	Less than 5%	Around 10%	Around 25%	Around 60% chance	Around 90% chance of this happening

Impact

Impact	Insignificant	Minor	Moderate	Major	Very Significant
Score	1	2	3	4	5
Scope Risk	Minimal scope changes that do not significantly affect Programme deadlines, costs, or objectives. The Programme can absorb the changes without disruption.	Small scope changes that have some impact on resources or schedule but are manageable within the existing plan.	Noticeable scope changes that lead to moderate schedule delays, increased costs, or resource reallocation, requiring adjustments to the plan.	Significant scope changes that substantially impact the schedule, costs, and resources. Rework is needed, and the Programme may require major adjustments.	Major and frequent scope changes that completely derail the Programme's schedule, budget, or objectives. May result in Programme failure or cancellation.

<p>Programme and Project Budget*</p> <p><i>*Please note this doesn't include service budget or savings targets</i></p>	<p>Programme is within agreed budget.</p>	<p>The Programme is over budget by 1% to 9% but no significant impact on the overall Programme.</p>	<p>The Programme is over budget by 10 to 19%,</p>	<p>The Programme is over budget by 20 to 29%.</p>	<p>Programme is over budget by 30%.</p>
<p>Schedule Risk</p>	<p>Minor delays or disruptions that have little to no effect on the overall Programme timeline. The Programme can still meet its target deadline.</p>	<p>Slight delays that cause minor adjustments to the timeline but do not require major changes to the Programme's schedule or resources.</p>	<p>Moderate delays that lead to schedule shifts, potentially causing minor cost increases or requiring some resources to be reallocated.</p>	<p>Significant delays that cause major disruptions to the timeline, resulting in higher costs, resource reallocation, or missed milestones.</p>	<p>Severe delays that jeopardise the entire Programme timeline, causing cost overruns, loss of stakeholder trust, or a complete Programme failure</p>
<p>Quality Risk</p>	<p>Minimal quality issues that do not affect the Programme's overall timeline or deliverables. These are minor defects or oversights that are easily resolved without additional cost</p>	<p>Minor quality issues that can be fixed with little or no effect on the Programme schedule or cost. An example might include minor functional issues that do not affect overall performance.</p>	<p>Noticeable quality issues that require adjustments or rework but do not severely affect the Programme's schedule or budget. These issues may affect some stakeholders or result in moderate</p>	<p>Significant quality issues that lead to delays, cost increases, or rework, and may cause moderate disruption to the Programme's schedule or deliverables. This could include non-compliance with</p>	<p>Critical quality issues that jeopardise the Programme's overall success, require significant rework, incur high costs, or cause serious delays. This could result in customer dissatisfaction,</p>

			customer dissatisfaction.	regulations or major product defects.	reputational damage, or Programme failure.
Resource Risk	Resource shortages or misallocation have little to no effect on the Programme. The Programme can continue as planned without any significant issues.	Minor resource shortages or issues that can be resolved quickly without significant impact to the Programme's schedule, cost, or quality.	Moderate resource constraints that lead to delays, cost increases, or require reallocation of resources to avoid critical issues.	Significant resource shortages or misallocations that cause major delays, cost overruns, and impact Programme quality or scope.	Severe resource shortages or complete misallocation of critical resources that threaten the Programme's ability to meet its objectives, potentially leading to Programme failure.
Outcomes <i>* Financial benefits, including council savings, should be considered as 'outcomes' and not 'budget'</i>	Minimal impact on achieving the intended outcomes, with little to no effect on overall Programme success.	Outcome risk that causes slight delays or minor shortfalls in achieving specific goals, but overall success is still possible.	Moderate impact on achieving desired outcomes, requiring some corrective actions or adjustments.	Significant risk to achieving the primary outcomes, resulting in delays, reduced benefits, or unmet objectives.	Severe impact on the achievement of the Programme's intended outcomes, potentially causing failure to meet key objectives.
Stakeholder Risk	Minor stakeholder disagreements or misunderstandings that have no significant effect	Some stakeholder misalignments or lack of engagement, but issues are resolved quickly and	Moderate stakeholder misalignment or engagement issues that cause	Significant stakeholder conflict or disengagement that results in Programme delays,	Severe stakeholder conflicts, lack of engagement, or misalignment that

	on the Programme's progress or outcomes.	have minimal impact on the Programme's schedule, cost, or scope.	minor delays, confusion, or additional costs to address differing expectations.	scope changes, additional costs, or requires substantial effort to resolve.	jeopardises the Programme's success, causing major delays, scope changes, or the Programme being cancelled or redefined.
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2. Programme RAG Status

The table below offers a structured approach to assessing the overall health and progress of a programme, ensuring consistency in RAG ratings across projects and programmes. These guidelines help evaluate RAG statuses across the five main indicators and must be used when preparing Highlight Reports, engaging with the Senior Responsible Owner (SRO), or discussing progress at Programme Boards, Directorate Change Boards (DCBs), and Executive Leadership Team (ELT) meetings. This approach supports informed decision-making and ensures alignment across all levels.

Scoring the main 5 indicators (Outcomes, Stakeholders, Scheduling, Resources and Budget)

Indicator	Green On track	Amber Needs attention	Red Serious issue
Outcomes* *Includes programme financial benefits, e.g. associated savings targets or income generation	All actions are on track and being delivered as expected to deliver the programme outcome.	Some key actions will be delayed by a short period, but if managed these are not expected to affect the main outcomes of the programme.	The agreed programme/outcomes will not be achieved.
Stakeholders	Fully understood stakeholders in terms of Influence vs interest. Key stakeholders are fully supportive, and there are no risks to approval or engagement.	Some stakeholders have concerns about certain aspects of the Programme however these have low influence/interest or there is still time to address the issues before they escalate.	Significant dissatisfaction/ risk to approval, from stakeholders with high interest/influence leading to issues affecting Programme success.
Schedule	Programme is on schedule; all deadlines are met, and there	Moderate delays affecting non-critical milestones or causing minor shifts in task	Significant delays affecting key phases or critical deliverables, leading to major

	are no significant delays or disruptions.	deadlines, but the Programme can still be completed within an acceptable timeframe.	risks such as lost stakeholder trust, budget overruns, or missed milestones.
Resourcing	All necessary resources are available and on track.	Resource shortages or availability issues that have a manageable impact on the Programme's progress or mitigation agreed so it does not threaten its overall success.	More than 10% of required critical resources (human, material, or financial) are unavailable or not utilised as planned and there is no mitigation agreed, causing significant delays or quality issues.
Budget* *Applicable for Projects and Programmes with a funding/financial budget allocated	Programme is within agreed budget.	The Programme is over budget by 1% to 19% , or there are small savings or underspend of 1% to 19% , but no significant impact on the overall Programme.	The Programme is over budget by 20% or more, or there is a risk of going over budget by more than 20% based on current Programmes.

Note: During the early stages of your project or programme, you might encounter higher levels of uncertainty. For instance, the scope might not be finalised, outcomes could be undefined, or resource planning might still be in progress. In such situations, it's acceptable to select an Amber or Red status. This doesn't necessarily indicate existing issues or concerns but rather reflects the inherent uncertainty and the need for further clarity and definition. Just make sure that your narrative clearly explains this context.

Scoring the overall programme RAG status

The above table and categories will inform the overall status of the programme/project and selection of the RAG.

Overall Status	Explanation
Green – On track	<ul style="list-style-type: none"> • All indicators are Green. • The Programme is performing well with no significant risks.
Amber – Needs attention	<ul style="list-style-type: none"> • Any indicator has an Amber rating. • If there is a long-term amber risk that has been accepted and re-baselined at DCB, then an overall green status may be approved at DCB. • The Programme is facing moderate risks and requires attention to mitigate them.
Red – Serious Issue	<ul style="list-style-type: none"> • 1 or more indicator with a Red rating. • If there is a long-term red risk that has been accepted and re-baselined at DCB, then an overall amber status may be approved at DCB. • The Programme has a critical issue(s) which need immediate attention.

3. Escalation

This section provides a structured framework, with clear criteria, on when to escalate items to the Directorate Change Board and Executive Leadership Team - where they fall beyond the project or programme team's control.

Escalation Categories	To Directorate Change Board/ SRO	To ELT
Decisions	<ul style="list-style-type: none"> • Decisions that change or impact the programme scope. • Decisions that may impact other programmes. • Decisions that may impact of the 5 status indicators • Savings are projected not to achieve, and re-profiling/baselining is required 	Directed by DCB.
Risk	<ul style="list-style-type: none"> • Major or significant risks (red) • Risks that are increasing in scoring from moderate to major/significant (amber to red) • Moderate, Major or Significant (amber or red) risks which have no agreed mitigation or where the mitigation is not having the desired effect. 	Directed by DCB.
Issues	<ul style="list-style-type: none"> • Significant issues (high/red) • Issues that are stopping the programme progressing • Issues that may impact other programmes. • Significant (high/red) issues which have no agreed mitigating actions or where the actions are not having the desired effect. 	Directed by DCB.
For information	<ul style="list-style-type: none"> • Sharing success, such as achievement of a critical milestone or significant benefit realisation. • interdependency with other activity in the organisation presents an opportunity. • Challenges which may result in a future risk 	Directed by DCB.

4. Lessons Learned

Capturing and sharing lessons learned is essential for ensuring continuous improvement within the PMO, across the broader portfolio and the organisation. By systematically documenting and disseminating these insights, teams can apply valuable lessons to enhance future project outcomes. This practice helps prevent the recurrence of past mistakes and promotes innovation and efficiency. **Key benefits** include efficiencies during the early design stages, better decision-making, improved risk management, and the ability to replicate successful strategies across multiple projects and programmes.

Proactively identifying and sharing lessons learned empowers the Corporate PMO and the wider Council to leverage knowledge effectively. This approach strengthens decision-making and encourages innovation across the portfolio.

When Should a Lesson Be Shared with the PMO?

Lessons should be shared, when they involve:

1. **Major Programme Risks or Failures** – Lessons that highlight significant risks or failures which could impact other projects or programmes.
2. **Innovative Solutions or Process Improvements** – Insights into new and effective ways of working that have led to improved outcomes.
3. **Significant Changes in Decision-Making** – Examples where decision-making processes have been altered significantly, providing valuable insights for others.
4. **Effective Risk Mitigation Strategies** – Strategies that have successfully mitigated risks and can be applied to other projects or programmes.
5. **Stakeholder Buy-In and Engagement** – Important lessons learned from engaging with stakeholders and/or gaining their support, which could benefit other projects or programmes.
6. **Alignment with Strategic Objectives** – Lessons that align with the strategic goals of other projects or programmes, addressing common challenges.
7. **Contextual Similarity** – Lessons that are applicable to other projects or programmes with similar contexts, including scope, complexity, stakeholder environment, and resource availability.
8. **Scalability** – Lessons that can be adapted or scaled to fit different project sizes and types.

9. **Impact on Processes** – Lessons that improve methodologies, practices, or processes commonly used across the portfolio.
10. **Continuous Improvement** – Lessons that contribute to ongoing enhancement efforts within the organisation, including operational services.