

# Introduction to Project/Programme Justification



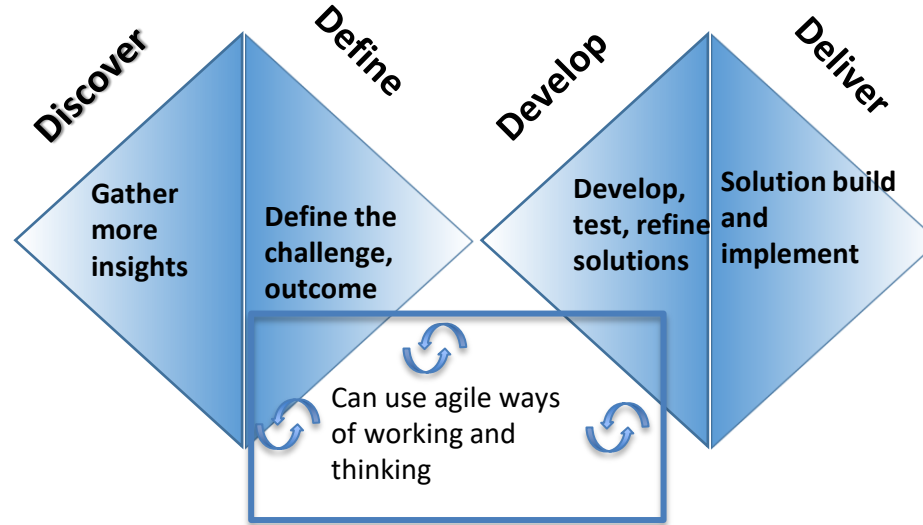
# Change Framework context

## Initiate



### Outcomes

- Agreement of a shared vision and strategy

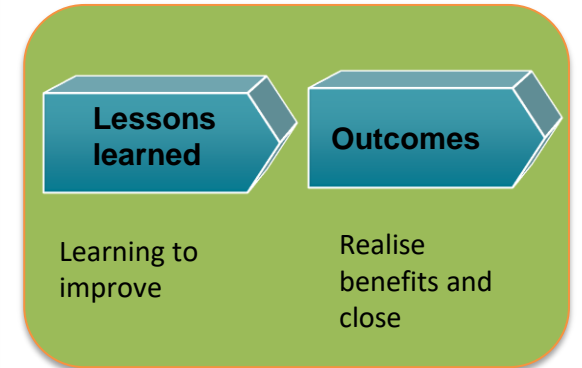


- Project set up
- Understand the problem(s)
- Identify the options

- Agreed business requirements and outcomes
- High level service design activity that meets the requirements
- Narrow down options

- Detailed design work
- Build and test new operating model to deliver transformed services
- Transition

## Closure



- Lessons learned and continuous improvement plan
- Benefits realisation and closure report
- Project / programme warranty to ensure no operational risk post transition

**Project and programme justification commences in the initiate phase, is developed further during discover and define and should also be regularly revisited throughout the develop, delivery and closure phases**

# What do we mean by 'justification' and why is it important?

- All projects and programmes have reasons for being initiated. These reasons need to be clearly understood, and agreed, by those involved from the outset.
- Every project or programme should start with a formal instruction which articulates why the project needs to be set up in the first place.
- This can come in different formats, but it is usually in the form of a **mandate** or a **problem statement**, however in some cases it could just be a verbal request.
- **Justification** identifies the purpose of undertaking a project or programme. It evaluates the overall cost (of development, implementation and on-going operational support) against the expected benefits to be gained, and offsets against any associated risks of introducing the change in order to assess it's overall viability.
- The results of undertaking this justification process are captured in a **business case** - a living document which should be periodically revisited throughout the life of a project/programme

# What's in it for me?

Justification is as much about preventing poorly conceived projects from being initiated, as it is about approving the initiation of viable projects.

While it can take time and effort to work through the justification process, it is worth investing this time at the outset because:

- It will help you control and manage the project/programme going forward as there is a shared understanding of what is expected to be delivered.
- It will help you to push back on additional areas of work that you may get asked to include within the project/programme, but which do not fit within the overall scope (i.e. avoiding scope creep).
- Having a clear justification for why the project/programme is needed will help you to make a stronger case for the resources that you need in order to deliver it.
- Having a clear justification and scope for the project/programme will help you to manage stakeholder expectations.

# Initiating the project/programme

- A **Mandate** and a **Problem Statement** are common ways of initiating a project/programme during the discovery phase. They both summarise the reasons why the project or programme is needed.
- These documents would ideally be provided by the person who goes on to be the Project Sponsor. However, the Project/Programme Manager may need to create these documents, where only a verbal instruction has been given.
- Further work may also be needed at this stage to understand the evidence underpinning the mandate/problem statement (e.g. ensuring the proposed interventions are responding to the causal factors and not just the symptoms).
- For projects, a **Project Initiation Document** may also start to be developed at this stage, to bring together all of the baseline information/documents about the project and confirm the scope.

## Mandate

Some Mandate documents may be very brief, others may set out a bit more context. The information they should cover includes:

- **Business need** – describing the opportunity, issue or problem that has triggered the project/programme
- **Objectives and outcomes** – initial indication of what the project/programme is trying to achieve
- **Constraints** – any known constraints e.g. fixed budgets/timescales
- **Roles and responsibilities** – who has overall responsibility, have any other responsibilities been identified

## Problem Statement

This provides a concise description of the problem or issues a project/programme seeks to address and often includes:

- **Current state** – setting out the problem, issue or opportunity and the consequences of this
- **Future state** – what is the ideal situation you are trying to achieve
- **Gap analysis** – brief strategic summary of the gap between the current/future state
- **Proposal** – how it is intended to address the problem, issue or opportunity

# Justification: minimum standards

The justification process should be undertaken as early as possible during the discover/define stages, so all interested parties are satisfied that the following aspects of the project (as a minimum) are clearly defined and understood, enabling an informed decision to be undertaken on whether it is viable to proceed with the project.

- The reason(s) for the project/programme and background – problem/change/opportunity, why is it needed (evidence base) and why now?
- The desired benefits and how they will be realised.
- How the project/programme supports the Council's priorities.
- The scope – to set out the specifics of what is in and (just as importantly) what is out of scope.
- Any known risks.
- Estimated timescales.
- Estimates for the resources required.
- Lessons learned from similar/previous projects.

# Key tools

## Mandate

- A formal instruction which articulates why the project or programme needs to be set up in the first place.

## Problem Statement

- A written statement articulating the specific problem that the project/programme is seeking to address.

## Business Case

- A document setting out the business justification for undertaking a project or programme, articulating the benefits, cost and risk of undertaking the project/programme.
- Provides an evaluation of the benefits, cost and risk of alternative options and puts forward a preferred solution.
- A living document which should be revisited throughout the life of the project/programme to ensure that the original justification for the project/programme still stands.

## Project Initiation Document

- A collated set of documents which define the project scope and set out the justification & overall approach for a project.
- A living document which can be used to assess progress on the project and as a source of reference.

# Introduction to benefits management



# What is benefits management and why is it important?

- Benefits management involves identifying, organising, measuring and monitoring the expected benefits that a programme or project sets out to deliver.
- A benefit is the **measurable improvement** that arises from a project or programme outcome
- Benefits management is also sometimes known as ‘benefits realisation’
- It is important to understand what benefits a project/programme will deliver and consider these against the costs that will need to be invested. If the costs outweigh the benefits the project or programme is not a good investment!
- Adopting a structured approach to managing benefits will help make sure they are specific, measurable, agreed, realistic and time bounded.
- It should be noted that a project or programme can also have dis-benefits (negative impacts) and these also need to be identified and managed.

# The difference between outputs, outcomes & benefits

A road improvement project

A project or programme

Delivers:

A new stretch of road

Outputs:

Unique products, deliverables, services or results created by a project/program

Which lead to:

Improved flow of traffic,  
reduced congestion

Outcomes:

The real-world results or differences made by the use of the outputs

Which can be measured by:

Benefits:

“The measurable improvements resulting from an outcome perceived as an advantage by the investing organisation(s) and which contributes towards one or more organisational objectives”

Dis-benefits:

“The measurable decline resulting from an outcome perceived as negative by the investing organisation(s) and which detracts from one or more organisational objectives”

Journey time reduced by 5 minutes

Loss of 20m<sup>2</sup> of greenspace

*The outputs and deliverables can be thought of as the ‘WHAT’ with the outcomes & benefits being the ‘WHY’*

# Measuring benefits

- A key principle of benefits management is that benefits should be measurable.
- Ideally benefits should be measured in financial terms, but it is also valid to have non-financial measures
- Benefits can generally be viewed as falling under one of the following three categories:

## **Financial benefits (tangible):**

***Benefits which can be quantified or valued in financial terms e.g.***

- Cost savings v budget
- Revenue generation
- Avoidance of future costs e.g. avoiding having to replace an outdated system
- Cash proxies for qualitative benefits (e.g. increased customer satisfaction leads to an estimated cost saving in reduced staff time dealing with customer complaints)

## **Non-financial benefits (tangible):**

***Benefits which can be quantified, but are difficult or impossible to value financially***

- Increased customer satisfaction
- Increased staff satisfaction
- Improved response times
- Improved compliance with regulations / improved safety
- Better use of assets

## **Indirect benefits (intangible):**

***Benefits which can be identified but not easily quantified***

- Improved reputation
- Better access to information
- Improved customer service
- Improved morale

# Benefits management process

The process of managing benefits throughout the lifecycle of a project/programme can be summarised as follows:

## Stage 1:

### Identifying and understanding benefits

- Identify & agree what the benefits are (e.g. through a workshop)
- Understand the benefits in more detail (e.g. through benefit profiling)
- Benefit profiling involves description:
  - Benefit description
  - Category/type of benefit
  - Owner
  - Recipient of benefit (e.g. customer)

## Stage 2:

### Planning benefits realisation

- Understanding the baseline measurement for each benefit
- Setting a target measurement for each benefit
- Agreeing the approach to how often you will measure progress against the benefit and how it will be reported

## Stage 3:

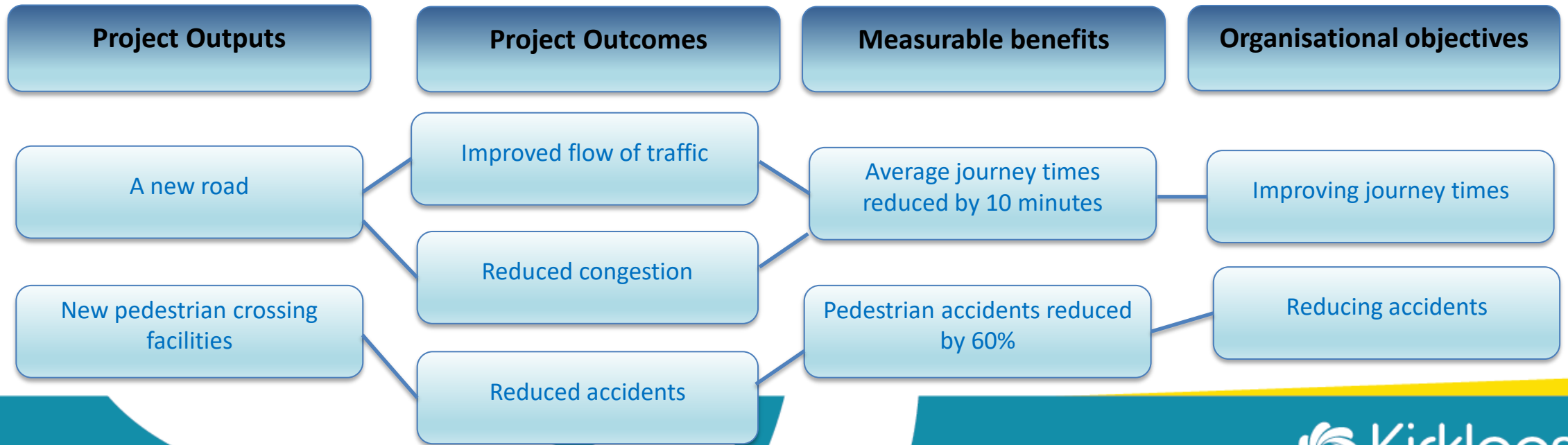
### Tracking, reviewing and evaluating benefits

- Tracking each benefit through regular measurement
- Reviewing the actual measurement v the expected targets
- Escalating and identifying mitigation action where benefits are off track

The Intelligence and Performance team can help provide advice and support throughout all of these stages

# Useful tools

- The **Benefits Tracker** is a really useful tool to support you to manage all three stages of the Benefits Management process. At the point the programme/project is closed, it can be handed over to the appropriate person to continue to monitor and track the expected benefits.
- A **Benefits Map** is another useful way of showing visually the relationship between measurable benefits and project outputs and outcomes. An example is shown below:



# Useful benefits management tools

Some useful benefits management tools include:

- **Benefits Profile** – to document the key information about each expected benefit (e.g. description, type/category, benefit owner, benefit recipient etc)
- **Benefits Management Plan/Benefits Realisation Plan** – setting out the overall approach to managing and realising benefits on the project/programme (e.g setting out all expected benefits/dis-benefits, describing the approach to benefits management and how benefits will be tracked, clarifying roles & responsibilities, setting out baseline measurements and targets)
- **Benefits Map** – a visual representation to show how the benefits are linked to outputs, outcomes and organisational objectives (useful in engaging stakeholders in benefits management)
- **Benefits Tracker** – working document (usually a spreadsheet) to record each of the benefits, baseline value, current measurement etc.

# Introduction to Resource Planning (V1.0)



# What is resource planning and why is it important?

- Resource planning is the process of determining the level, type and cost of resources needed to deliver a project or a programme.
- Resource planning can cover a wide spectrum of things (e.g. people, funding, equipment, materials, etc), but for the purposes of this introduction the focus is on people.
- When thinking about staff resources for a project or programme, its necessary to consider both the capacity that will be needed to deliver and the type of skills and expertise.
- Resource planning is an ongoing task throughout the life of a project/programme in order to forecast and manage the resources that will be needed at each stage.
- It is a critical activity because:
  - It helps to use resources more effectively both within the project/programme and across the wider team or organisation
  - It enables the organisation to get a better view of the true cost of delivering a project or programme
  - It helps to identify the skills and expertise you need and highlights any areas where you may need external support
  - Having a better understanding of the expected resource requirements and planning ahead for these will ultimately save cost and time

# Resource planning: what's in it for me?

- Any resourcing requests that you put forward for your project or programme are more likely to be approved where there is a clear resource plan to justify your ask.
- People are the most important resource in the success or failure of a project
  - It makes sense to plan ahead and be clear whose input is needed and when.
  - It helps you to manage the workload of the individuals working on your project/programme so you can ensure people aren't overloaded.
- Having a clear resource plan makes it easier to identify and justify any external support or expertise that you might need to bring in.
- If unforeseen resource needs suddenly occur, you will be in a better position to plan a response to this and take action.

# Creating a simple resource plan

A simple resource plan should include the following information:

- **Names and roles** (in the context of the programme/project), for all individuals involved in delivering programme/project activities.
  - This will range from dedicated project/programme roles (e.g. project manager, Senior Responsible Officer), to those roles who provide less frequent support and input (e.g. corporate enablers, external experts)
- An indication of the **time allocated** to the programme/project and the duration for each role/person (e.g. project assistant needed for 3 days a week over the period January 2023 to March 2024)
- An indication of the **cost** associated with each role/person
  - At the simplest level this could just be by identifying the grade of the person who is filling each role
  - An hourly rate for each grade can then be agreed and used to help calculate the overall cost of their input based on the time allocated
  - Most organisations will have an agreed rate that should be used for each grade that includes overheads or 'on-costs'
- Indication of the key **responsibilities** of the role and any specific **skills** that will be needed to undertake it

# Simple resource plan template

An example of a simple resource plan template:

Resource Role	Resource Name	Duration – Start Date	Duration – End Date	Time Allocation	Grade / indication of Grade	In place Y/N	Role highlights	Know <i>What do they need to know</i>	Do <i>What do we want them to do</i>
Programme Manager (PM)									
Programme Sponsor									
Project Manager									
Data and Insight Officer									
Change and Communications Officer									
3 <sup>rd</sup> party specialist support									

# Creating a more detailed resource plan

- At the beginning of your project/programme you might start with a relatively simple resource plan, to help you build an initial summary picture of what resource is needed and when.
- As your project or programme develops it may however be appropriate to develop the plan further, so that it becomes a tool that can help you estimate and plan resources week by week.
- There are lots of different resource plan templates and specialist resource planning software that can be used for more complex projects and programmes.
- But as a starting point this more detailed level of planning involves:
  - Collecting all of the headline resource information as in the simple resource plan example
  - Adding additional columns for each month and/or week covering the life of the project/programme
  - For each role/individual mapping out how much of their time is likely to be needed on each task week by week (or month by month)
  - This then provides an ongoing 'live' forecast of resources needed week by week and the cost associated with these

# More detailed resource plan template

An example of a more detailed month by month resource plan template:

Project Activities	Resource Name	Resource Type	Planned Days	Wk #	August					September			
					1	2	3	4	5	1	2	3	4
					01/08/ 2022	08/08/ 2022	15/08/ 2022	22/08/ 2022	29/08/ 2022	05/09/ 2022	12/09/ 2022	19/09/ 2022	26/09/ 2022



# Useful resource management tools

Some useful resource management tools include:

- **Resource plan** – a tool to help you organise, allocate and manage the resources needed to carry out tasks and roles involved in delivering projects and programmes. The resource plan also helps you to identify the overall cost of the resource utilised over the life of the project or programme.
- **RACI matrix** – a tool to help establish the individual or groups who are responsible and accountable for a specific task or activity, as well as those who should be consulted or informed (see governance section for more details). This will help inform your resource plan by setting out the different roles that are needed in your project/programme

# Introduction to dependency management

**Please note** – Where the term ‘project’ is used on its own in this document the statement also applies to programmes (unless indicated)



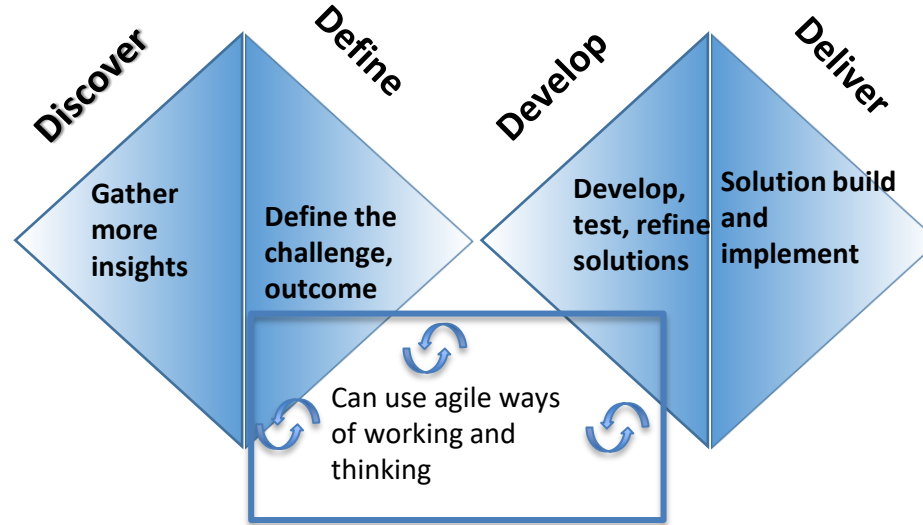
# Change Framework context

## Initiate



Outcomes

- Agreement of a shared vision and strategy

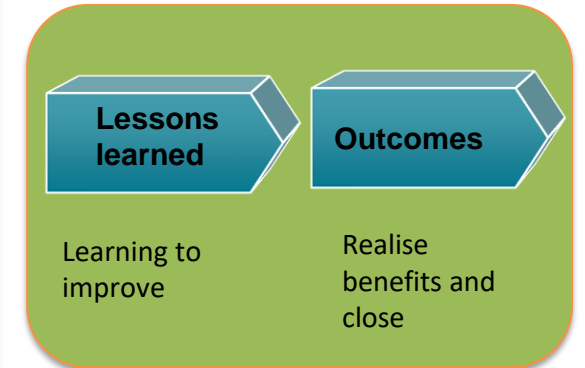


- Project set up
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**Dependency management starts in the initiate phase, is developed further during discover and define and should also be regularly revisited throughout the develop, delivery and closure phases**

# What is dependency management and why is it important?

- A **dependency** is where there's a relationship between tasks or activities, which influences the order in which work must be completed.
- Most project tasks will rely on other tasks, or activities in some way. For example...
  - Work to install new equipment in an office will need to wait for other tasks to be delivered,
  - Such as 'identify and purchase new equipment'.
  - It might also depend on when the right resources can be freed up (to do the installation) or when a decision is made (on locations).



- **Dependency management** describes the process of identifying and managing these interrelated tasks and resources within a project; it helps to increase predictability and ensure projects are delivered successfully, on time and within budget.
- A related task or activity that sits outside of your project, can be referred to as an **interdependency** or an external dependency. **For example**, you might be dependent on a new local or national policy being agreed before you can finalise the detailed plans for your project (to ensure they comply with the new policy).
- If any two or more tasks can be started and completed independently, there is no dependency between them.

# Why is dependency management important?

- Managing dependencies and interdependencies is important because:

It helps identify the most efficient way to sequence tasks in the overall project plan and to understand the critical path.

It helps to prioritise tasks and resources.

It enables you to identify key areas of risk

It gives you more certainty over the total duration of the project/programme and timescales for key milestones.

# Dependency management: what's in it for me?

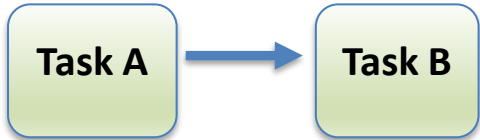
- Dependencies are inevitable in any project or programme. Recognising the relationships between tasks and activities is important, to help you manage these effectively and avoid significant problems.
- If you don't actively manage project dependencies, your project is likely to take longer than anticipated and cost more.
- Understanding the dependencies helps you to work out, and plan for, the proper flow of tasks – giving you more control.
- Understanding the key dependencies and how these impact on timescales can help you to manage any unrealistic expectations that some stakeholders might have.
- Knowing what the key dependencies are, helps you to manage areas of risk associated with interrelated tasks and avoids unanticipated issues arising.
- Having a clear sequence of tasks in your project/programme plan means you can make more efficient use of the resources you have available.

# Types of dependency

Dependencies are often described as falling into the following four categories:

## Finish to start

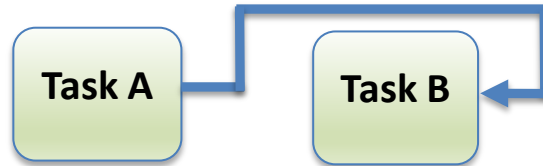
Task A needs to be completed before Task B can start



Example: you can't publish an article before it's finished being edited

## Finish to finish

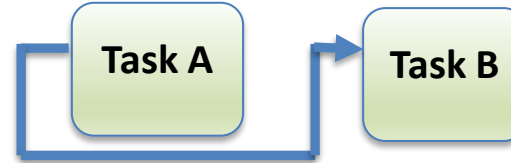
Task B can't be completed until Task A has been done



Example: wires can't be fitted into the wall until they've been inspected

## Start to start

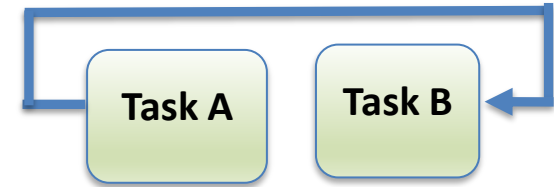
Task B can't start until Task A has started



Example: a concrete floor can't start to be levelled until the concrete has started pouring into the space

## Start to finish

Task A has to start before Task B can be completed



Example: a new software installation has to start before the old software can be closed down

Thinking about the tasks in your programme or project under these categories will help you to identify the dependencies.

# Using a Gantt chart to map dependencies

- One of the best ways of understanding project dependencies is to map them in a Gantt chart
- A Gantt chart is a tool which helps you plan, sequence and monitor all the tasks in your project or programme
- Each task is depicted by a horizontal bar which shows the start and end dates for that task and any dependency that it has with another task.
- The Gantt chart can also be used to identify the critical path for the programme or project.
  - The critical path is the longest sequence of tasks that must be completed to deliver the project or programme.
  - The tasks on the critical path are called critical activities because if they're delayed, the whole project/programme completion will be delayed.
- There are many different approaches to developing a Gantt chart: from a simple excel form that you can create yourself, to bespoke software such a 'MS Project' or 'Project in a Box'.
- The level of detail you need depends on the complexity of your project or programme



# Useful Dependency Management tools

Some useful dependency management tools include:

- **Gantt chart** – a tool which helps you to plan, sequence and monitor all of the tasks and the dependencies between them in your project or programme.
- **Critical Path** - the longest sequence of dependent tasks that must be completed in order to deliver the project or programme.
- **Dependency Map** – a visual summary of the key dependencies in your project or programme showing in diagrammatic form how they are linked to each other. You might also use a visual dependencies map as a way of identifying dependencies at the outset.
- **RAIDD log** - a project management tool used to document any issues or problems that occur during an ongoing project. This document highlights any assumptions, decisions and dependencies of the project so all those involved are aware

# Introduction to lessons learned (V1.0)



# What are lessons learned and why are they important?

- All projects and programmes provide an important opportunity for learning whether that is learning from successes, or things that didn't go quite as well.
- Lessons learned are specific examples of things that you encounter during the life of a project or programme, which would be of benefit to share with others involved in similar work.
- Sharing lessons learned will help others to build on previous successes and to avoid repeating mistakes.
- Ultimately they help to build up a repository of best practice, drive a culture of continuous improvement and promote individual development.
- Lessons learned are important for both an individual's own self development and for the organisational capability and effectiveness.
- It's important to remember that lessons are only learned if they are captured and shared and so appropriate mechanisms to do this must be in place.
- At the start of every project/programme you should be able to access a central lessons learned repository to help inform your approach.

# What is in it for me?

Undertaking Lessons learned exercises can help staff involved in projects/programmes in a number of practical ways:

Making your project/programme more successful by taking advantage of past experiences and practical tips.

Helping your own self-development by learning from peers and colleagues.

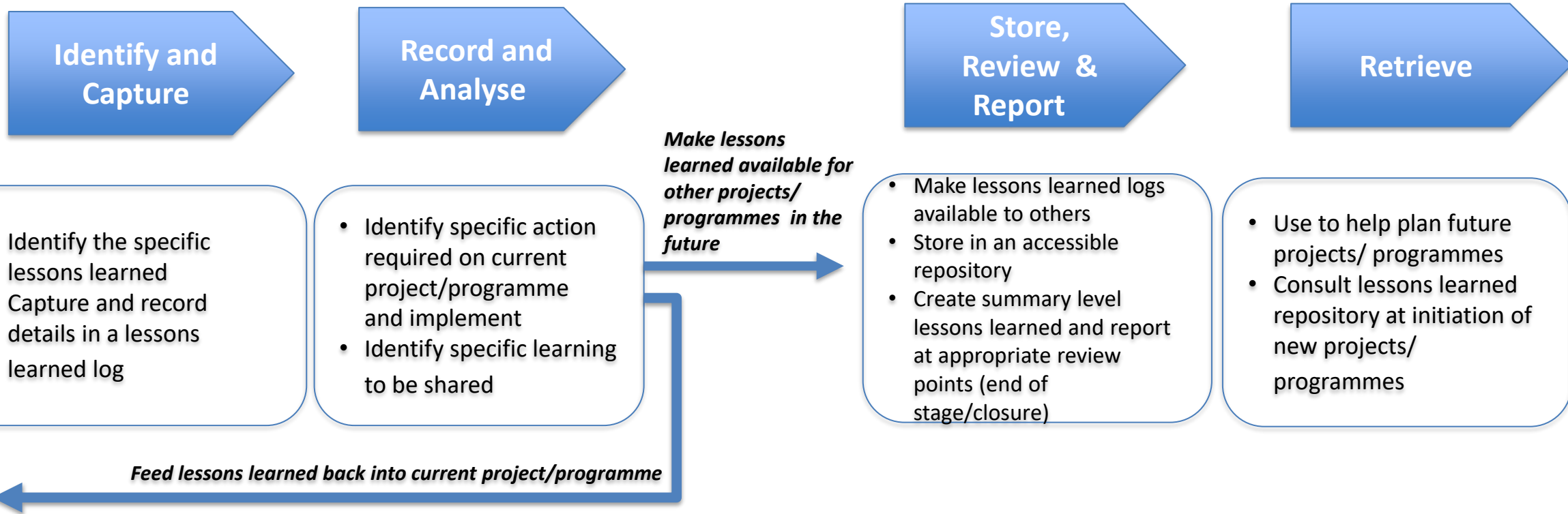
Providing you with a space to reflect, celebrate successes and acknowledge mistakes - allowing you to carry forward the good and leave the bad behind.

Saving you time and effort by avoiding the repetition of past mistakes.

Providing an opportunity to help others develop their own knowledge and experience further.

# Lesson learned process summary

The key steps in the lessons learned process can be summarised as follows:



# Identifying lessons learned

- Ideally lessons should be identified and captured at regular intervals throughout the life of a project/programme
  - So that they are timely and can be of benefit to the current project/programme you are working on
  - So that they create a structured space for people to reflect on successes and challenges

## Lessons learned can be identified in a number of ways e.g.

- Asking those involved in the project/programme to provide individual feedback (maybe through a survey or a discussion)
- Holding a lessons learned meeting or a workshop with all relevant stakeholders
- Having a central lessons learned log that people can contribute to as and when lessons arise
- Having a regular item on team meeting agenda's to prompt people to think about any recent lessons learned

## But whatever method you use it's important to:

- Create a safe space for those contributing to the review, so they can raise things openly with a no-blame approach
- Provide some structure to help people think about the full breadth of possible lessons (e.g. having categories such as stakeholders, finance, decision making, scope, outcomes etc)
- Consider introducing an independent facilitator to help bring balance and challenge

- It is common for a lessons learned exercise to take place during the closure of the project/programme.
- *Note: It's really easy to forget things if we don't capture them at the time, so having a regular prompt to consider lessons learned is really helpful (e.g. a regular item at team meetings).*

# Recording lessons learned

- A **lessons learned log** is a useful way of capturing lessons throughout the lifetime of a project/programme
- Each project or programme should have their own log (or for a programme with many projects you might have one central log that covers everything)
- If there is a PMO in place they may also capture lessons learned at a portfolio level
  - Depending on the size of the portfolio this could just be all of the programme/project logs collected in one place, or it might be a separate document where summary level lessons learned are documented
- The lessons learned log should also record some basic information to help you analyse lessons learned and make use of them in the future e.g.
  - Date lesson identified and individual /group who identified it
  - Description of the situation leading to this lesson
  - Summary of the impact and specific lesson learned
  - Recommendation for action in the future

# Simple lessons learned log example

LESSONS LEARNED LOG V1.1							
Project Name							
Document Owner							
Date Last Updated		Version No		1			
ID	Date Lesson Identified	Entered By	Lesson Learned*	Category	Description	Impact	Recommended Solution
<i>Unique reference no. of your choice</i>	<i>Date that lesson is being formally identified &amp; recorded</i>	<i>Person who identified /raised lesson</i>			<i>A full description of the situation from which there is an opportunity to learn. It may be something that went well or something that didn't go well.</i>	<i>What was the impact on the project? If this can be described quantitatively then that should be included (eg the project was delayed by 1 month)</i>	<i>What suggestions are there for repeating what went well or avoiding what went badly?</i>

## Lessons Learned Type

- Went Well, Area for Improvement, Option for the Future

## Categories

- Governance; Process; Technology; Communication; Leadership; Culture and Change Management; Partnership; Resource; Other

# Reporting on lessons learned

- At review points throughout the lifetime of a project or programme (e.g. end of a phase/stage/project/programme) it's useful to summarise and report on key areas of transferable learning that have been identified. A **lessons learned report** is a useful tool to capture those lessons learned.
- The scope of a lessons learned report depends on the project/programme in question.
  - For example, a complex project may have a more comprehensive report detailing lessons captured at each stage, whereas a simpler project may provide a summary list of bullet points for future consideration.
- A lessons learned report would generally cover the following:
  - Summary of project and intended project outcomes and benefits
  - Summary of lessons learned split down by things that went well and things that didn't go so well
  - Recommendations for key areas learning on future projects
  - Summary of how lessons learned will be disseminated
- An **end of stage/phase report** or **closure report** might also be used as an alternative way of recording lessons learned at the end of a project/programme or end of a project/programme stage/phase.

# Useful lessons learned tools

Some useful lessons learned tools include:

- [Lessons learned log](#) – a working document for recording lessons learned during the life of the project/programme as they occur
- [Lessons learned report](#) – a summary report provided at the end of the project/programme to set out the key areas of transferable learning and how this will be disseminated
- [Project/programme end of stage/phase report](#) – submitted at the end of a stage/phase providing information on project/programme's performance during the stage and overall status up to that point. This often includes a specific section to highlight the key lessons learned.
- [Project/programme closure report](#) – the last deliverable submitted at the end of a project/programme summarising it's overall success. This often includes a specific section to highlight the key lessons learned.

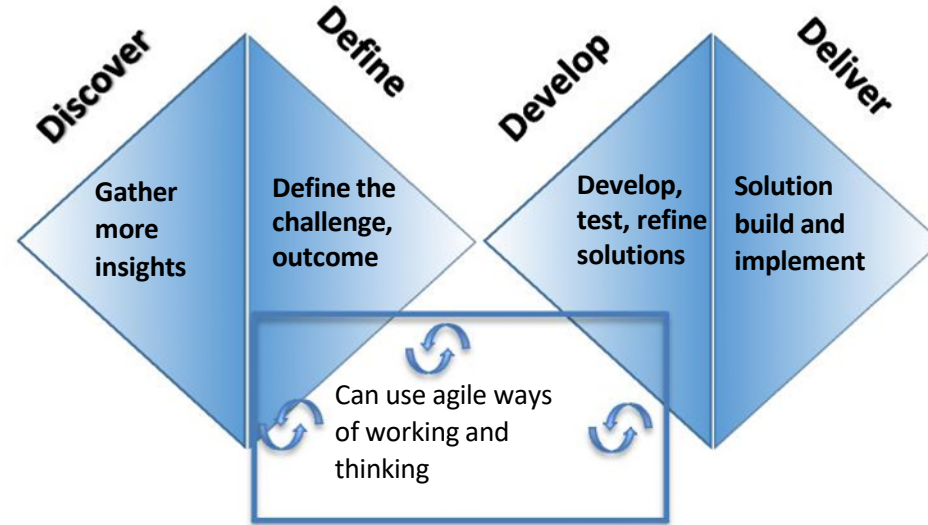
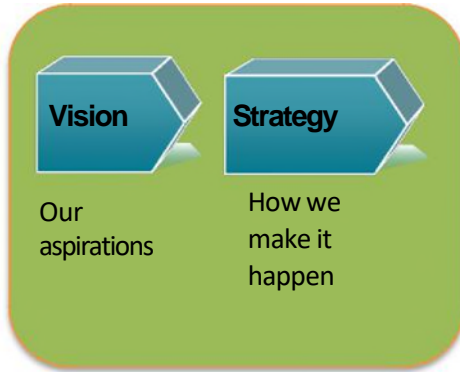
# Introduction to project & programme governance (including financial management)

**Please note** – Where the term ‘project’ is used on its own in this document the statement also applies to programmes (unless indicated)

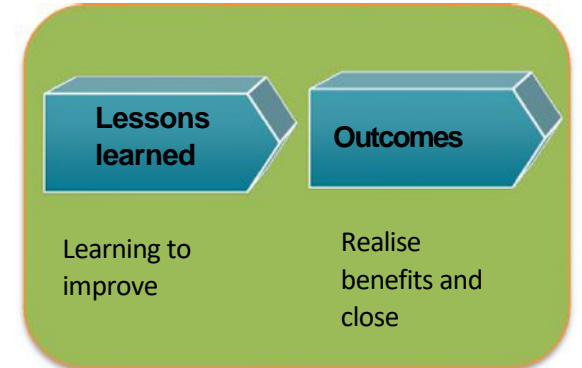


# Change Framework context

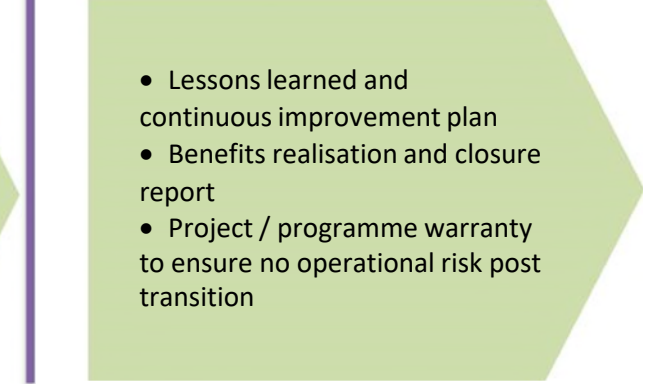
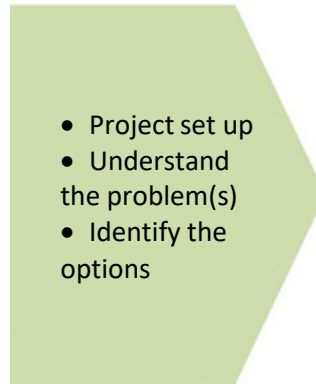
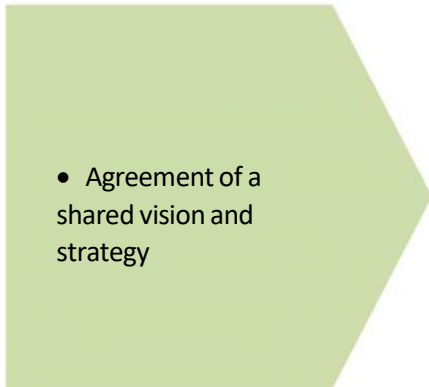
## Initiate



## Closure



Outcomes



**Governance starts in the initiate phase, is developed further during discover and define and should also be regularly revisited throughout the develop, delivery and closure phases**

# What is project governance?

- Project governance sets out the functions, roles, responsibilities, processes and procedures that define how a project is set up, managed and controlled.
- These governance arrangements are temporary and remain in place for the life of the project
- Your specific governance arrangements must however fit within the existing governance framework for your organisation
- Governance arrangements should be reviewed and, if necessary, revised as the project progresses.

# What is financial management?

- Financial Management is a key discipline in a project or programme which aims to plan, direct, monitor, organise and control the monetary resources of the project throughout its life-cycle.
  - Planning: understanding the environment in which the project is being delivered, identifying the financial needs and developing a financial plan.
  - Allocation: distributing funds among project activities to ensure that every piece of work is provided with adequate monetary resources.
  - Monitoring: tracking the status of the project budget to ensure it is not exceeded and ensuring that financial benefits are on track to be realised.
  - Controlling: analysing the financial status of the project to ensure achievement of the desired return on investment

# Why is project governance important?

- Having clear governance provides the framework for accountability and decision making on your project/programme
- Tailoring governance to fit your specific project and the organisation's risk appetite, helps avoid creating over-complicated bureaucracy
- Writing down your governance arrangements will help ensure everyone agrees and is clear about:

Where decision-making will take place and who is accountable for different levels and types of decision making

How the project relates to the organisation's wider governance framework

What approval processes are needed for project / programme decisions to be made

Roles and responsibilities (e.g., Senior Responsible Owner, Board members, team roles)

Membership of each governance group – helping ensure the right people are in place and have the right level of authority, skills and experience necessary

# Why is financial management important?

- Good financial management ensures that the monetary resources invested in the project or programme is allocated to and spent on the right activities.

**Note** – As the council is a political organisation it's important to consider political representation in your governance arrangements

# Governance: What is in it for me?

- Having clear governance arrangements make it much easier for a Project or Programme Manager to manage their day-to-day activities because:
  - It provides a clear structure that you can work within
  - There is a clear escalation route for any issues that arise
  - There are clear decision-making routes that you can use to make sure that decisions are made by the right people, at the right time and within the agreed tolerances for the project
  - Having clear governance avoids the potential for one individual to make significant decisions about the project, without considering the wider impact, other viewpoints or risks
  - Having the right membership in key roles and on Boards, should help to provide you with the support (and challenge!) you need in the day-to-day management of your project/programme
  - Roles and responsibilities are clear and so you avoid the risk of duplication of work, or conversely, tasks 'falling between the gaps'

**If you don't have strong governance...** there can be a lot of wasted time and effort in trying to get clear decisions, dealing with issues, and in addressing any confusion about roles, responsibilities and accountability (including for finances)

# Financial management: what's in it for me?

- Good financial planning has many benefits, including estimating profit, reducing financial risk, and planning for unexpected costs
- Having a solid grip on your project financials also helps you dedicate resources to projects based on their budget and how high they are on your priority list.
- Using financial management to break down the project budget, means you can then use it to keep projects within their established budget. In doing so, you can help avoid cost overruns and maximise financial benefits.

## **Financial management - 'Top Tips':**

- Make sure spending is clearly described and linked to your project objectives or benefits
- Having a specific cost code for your project can help you manage, and monitor spend easily
- Be clear on the status of funding in your budget
  - Is it allocated in principle or a confirmed allocation? Do you need a business case?
  - Has it been actually spent or just committed at this point?
  - Are there any conditions attached to how and/or when the money can be used?

# Useful definitions

- **Project or programme sponsor** – a person or group of senior managers that are responsible for the projects or programmes successes
- **Senior Responsible Owner (SRO)** – the visible owner of the overall business change and is accountable for ensuring a programme or project meets its objectives, delivers the projected outcomes and realises the expected benefits. (SRO is also sometimes known as ‘Executive’ or ‘Lead’)
- **Project / Programme Board** – the governance board with the delegated authority to make decisions about the project/programme and drive its delivery. Generally chaired by the SRO
- **Project / Programme Manager** – an individual who is accountable to the Project/Programme Board and has overall responsibility for the day-to-day management of the project/programme.
- **Portfolio Management Office** – centralised management of project and programme management portfolios to bridge the gap between strategy and implementation
- **Workstream** - a cluster of tasks or core activities that divide up a project or programme of work

# Creating a governance diagram

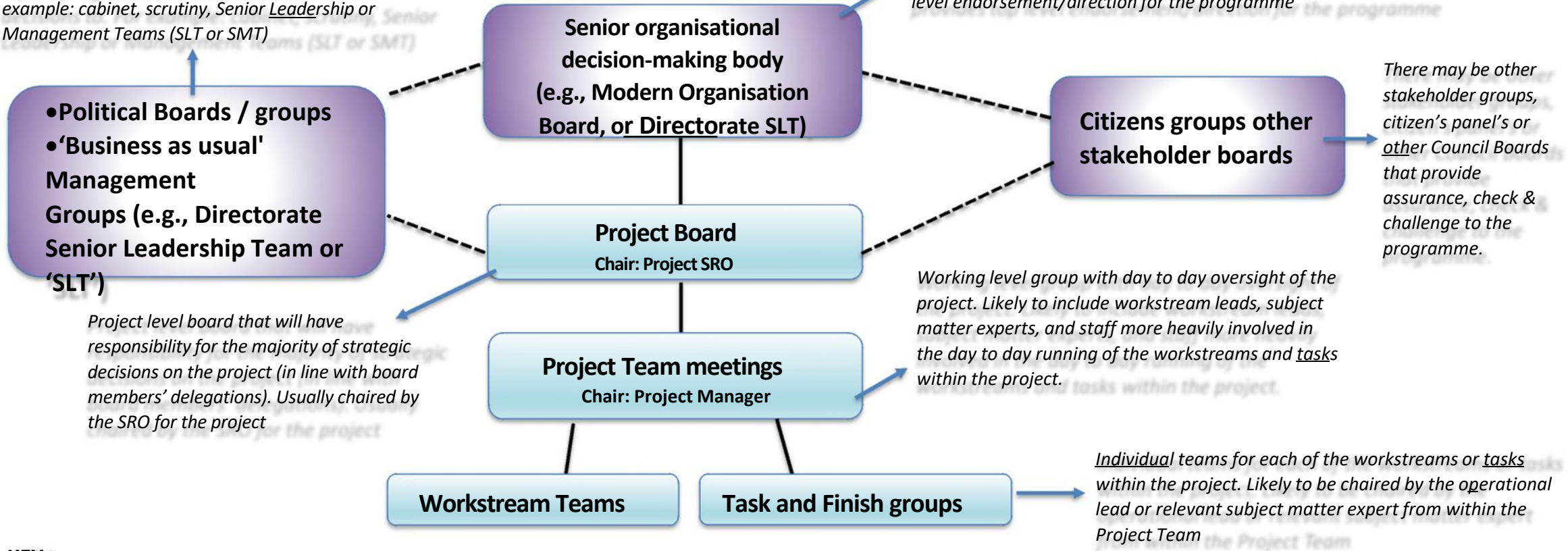
- As part of setting up your project it is useful to develop a governance diagram to show how the temporary governance will work
- This gives a visual overview of the decision-making structure and escalation routes
- The detail & complexity of this diagram will depend on the scale and nature of your project/programme, but at the simplest level it should include:
  - The ultimate decision-making group or board for the project/programme within your organisation (a group which will already exist within your organisation and will make any investment or corporate strategy decisions)
  - The new boards or groups which will be set up specifically for the lifetime of this project/programme
  - The existing boards or groups which are already part of your organisation's governance, but which your project/programme will either need to report into, or establish clear communication channels with
  - The key individual roles associated with the programme (e.g., Sponsor, SRO, Programme Manager, Project Manager)

# Simple governance diagram example - project

There may be political groups or Directorate management teams that the project needs to report progress to, consult with, or escalate decisions to. For example: cabinet, scrutiny, Senior Leadership or Management Teams (SLT or SMT)

The organisational board that will have ultimate decision making power over the programme (e.g. making investment decisions) and which provides top level endorsement/direction for the programme

There may be other stakeholder groups, citizen's panel's or other Council Boards that provide assurance, check & challenge to the programme.



Project level board that will have responsibility for the majority of strategic decisions on the project (in line with board members' delegations). Usually chaired by the SRO for the project

Working level group with day to day oversight of the project. Likely to include workstream leads, subject matter experts, and staff more heavily involved in the day to day running of the workstreams and tasks within the project.

Individual teams for each of the workstreams or tasks within the project. Likely to be chaired by the operational lead or relevant subject matter expert from within the Project Team

**Note:** The Project Manager drives activity across the governance structure - playing a key role in planning Project Board meetings, chairing project team meetings, and liaising with workstream or Task and finish group leads

# Simple governance diagram example - programme

There may be political groups or Directorate management teams that the project needs to report progress to, consult with, or escalate decisions to. For example: cabinet, scrutiny, Senior Leadership or Management Teams (SLT or SMT)

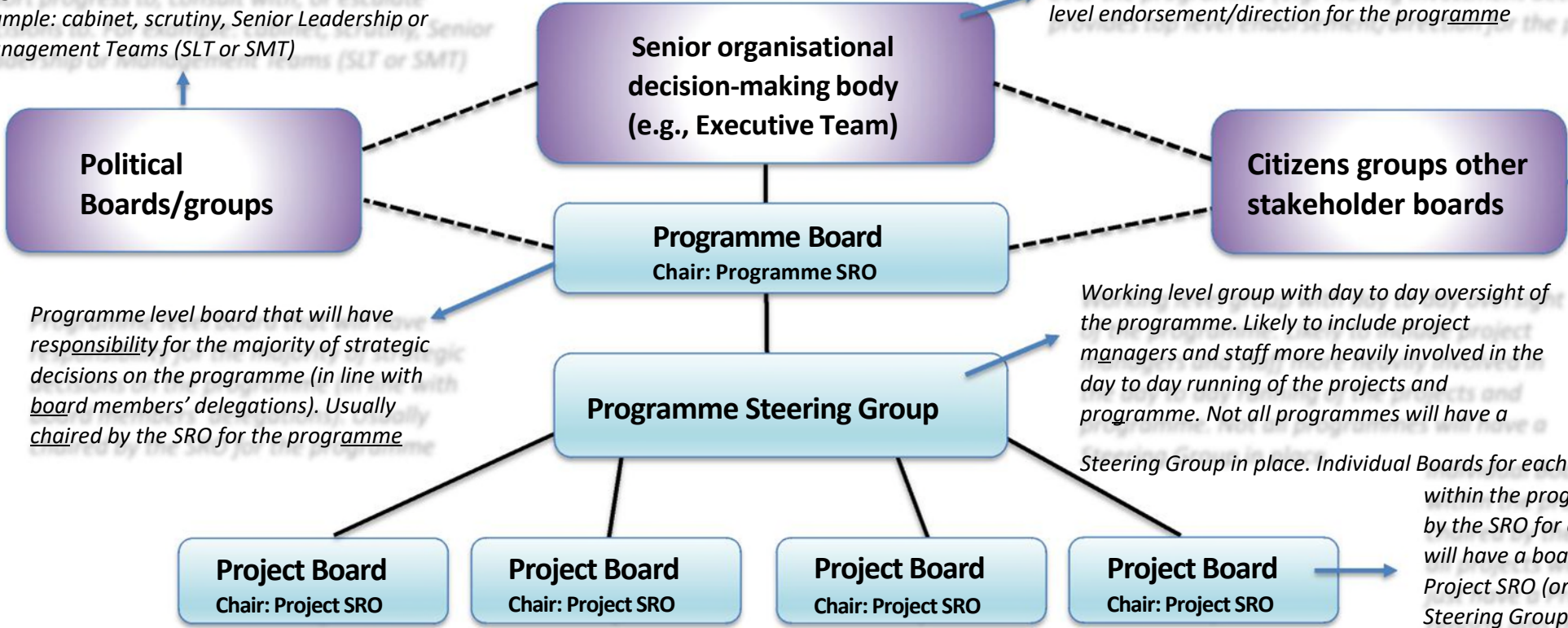
The organisational board that will have ultimate decision making power over the programme (e.g. making investment decisions) and which provides top level endorsement/direction for the programme

There may be other stakeholder groups, citizen's panel's or other Council Boards that provide assurance, check & challenge to the programme.

Programme level board that will have responsibility for the majority of strategic decisions on the programme (in line with board members' delegations). Usually chaired by the SRO for the programme

Working level group with day to day oversight of the programme. Likely to include project managers and staff more heavily involved in the day to day running of the projects and programme. Not all programmes will have a

Steering Group in place. Individual Boards for each of the projects within the programme. Likely to be chaired by the SRO for each project. Not all projects will have a board, They may just have a Project SRO (or lead) who reports into the Steering Group or Programme Manager.



**KEY:**

- Organisational governance
- Programme specific governance

**Note:** The Programme Manager drives activity across the governance structure - playing a key role in planning Programme Board and Steering Group meetings, and liaising with Project SROs or Leads

# Creating Terms of Reference

- When you are setting up new Project or Programme Boards, Steering Groups, Working Groups etc. it's important to clearly set out and agree their Terms of Reference
- Terms of Reference are a way of expressing the role and purpose of each group
- This helps to ensure that the governance for the project/programme works as it was intended and that each group understands their specific responsibilities.
- Terms of Reference should be presented at the first meeting of the group for approval
- It's suggested that as a minimum they should include:
  - Overall purpose of the group
  - Membership and Key responsibilities (of the group as a whole and for specific individuals / roles)
  - Accountability - details of delegated decision-making powers (either as a group or individually)
  - Frequency and format of meetings
  - Reporting mechanisms (including financial monitoring and reporting)

## **Financial management – Things to consider:**

- Different SROs may have different views on their role in financial management
- Be clear how and when colleagues working on the project / programme will report on financial information
- Make sure everyone, including Board members, are clear on how decisions are made about spending money and what documents might be needed (for example, a business case may need to be submitted to Exec Team)

# Using a RACI Matrix

- A RACI matrix can be a useful tool in helping to understand the different roles and responsibilities in a project/programme
- Using a RACI matrix can be helpful at different stages of your project/programme and this tool can be used for different purposes and in different levels of detail (e.g. planning specific tasks within a project or strategic planning of overall responsibilities)
- In this instance its presented as a strategic tool to help you design your governance framework and to make sure decision-making responsibilities are clear at the outset
- RACI stands for:
  - R = Responsible** = the person or group who performs the work.
  - A = Accountable** = the person ultimately accountable for the work or decision being made.
  - C = Consulted** = anyone or any group who must be consulted with prior to a decision being made
  - I = Informed** = anyone or any group who must be informed when a decision is made.

# Example (high level) RACI Matrix

EXAMPLE DECISION	RESPONSIBLE	ACOUNTABLE	CONSULT	INFORM
Set overall budget & tolerances	Executive Board	Chief Executive	Cabinet	SRO
Agree budget Increase of up to 5%	Programme Board	SRO	Programme Sponsor	Executive Board
Major change in programme scope	Executive Board	Chief Executive	Cabinet	Key stakeholders
Establish new project within programme	Programme Board	Programme Manager	SRO	Sponsor

# Simple Budget monitoring spreadsheet

Another useful tool for financial management is a simple budget monitoring spreadsheet.

[PROGRAMME / PROJECT NAME] BUDGET MONITORING 2023-24							
	COST CODE	2023-24 BUDGET	2023-24 ACTUALS TO DATE	2023-24 STILL TO SPEND	2023-24 FORECAST TO SPEND	2023-24 SLIPPAGE INTO 2024-25	NOTES
		£	£	£	£	£	
GENERAL STAFFING	XXXX	50,000	35,000	15,000	45,000	5,000	
GENERAL COSTS	YYYY	10,000	6,000	4,000	8,000	2,000	Community engagement costs still to pay for
<b>CURRENT PRIORITY ACTIONS:</b>							
PROJECT A	ZZZZ	25,000	18,000	7,000	30,000	-5,000	Need to make savings or move budget to cover forecast overspend
PROJECT B	AAAA	40,000	30,000	10,000	37,000	3,000	
COMMUNITY ENGAGEMENT CROSS-CUTTING ACTIVITY	YYYY	0	0	0	2,000	-2,000	To be funded from 'GENERAL COSTS'
<b>NEW PRORITY ACTIONS:</b>							
DATA & INSIGHT	tbc	0	0	0	0		£50k to be allocated from 2024/25 financial year budget subject to Business Case
<b>MONIES ALLOCATED TO PROJECTS IN 2023-24</b>		<b>125,000</b>	<b>89,000</b>	<b>36,000</b>	<b>122,000</b>	<b>3,000</b>	
<b>MONIES ALLOCATED TO PROJECTS IN 2024-25</b>		<b>50,000</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>0</b>	Provisional allocation subject to Business Case approval
<b>TOTAL COSTS</b>		<b>175,000</b>	<b>89,000</b>	<b>36,000</b>	<b>172,000</b>		
BALANCE REMAINING FROM TOTAL £200k BUDGET (2023/24 - 2024/25)		25,000	111,000	164,000	28,000	0	

# Useful tools to help establish/manage governance

Some useful governance and financial management tools include:

- **Governance diagram** – to provide a visual ‘at-a-glance’ representation of how the governance and decision making accountability works on a project/programme
- **RACI matrix** – a tool to help establish the individual or groups who are responsible and accountable for a specific task or activity, as well as those who should be consulted or informed.
- **Terms of reference** – a document setting out the purpose, format and responsibilities of different groups that form part of your governance structure.
- **RAIDD log** (Risks, Assumptions, Issues, Decisions and Dependencies) – a log in which decisions taken are recorded along with key information (such as, who made the decision, when, and why)
- **Budget monitoring spreadsheet** -

## Financial management - ‘Top Tips’:

- Work with your SRO to identify a dedicated finance contact who can support you in monitoring the budget, and when producing business cases
- Information from your finance plan should also be included in the resource plan for your project / programme

# Introduction to planning management (V2.0)



# What is planning management why is it important?

- Planning management is the work you do at the start of a project or programme to ensure everyone understands what is required, how it will be achieved, by whom, and when events will happen.
- It also involves establishing the project/programme controls that will be put in place and the monitoring and reporting mechanisms that will be used.
- It's important to note that project/programme planning is about more than simply developing a schedule of all the tasks (e.g. Gantt chart), it's also about 'how' to do it.
- Careful planning will help to save time, money and problems
- The plans you develop at the outset of a project/programme should be kept up to date and revisited if there is a need to re-plan activity due to unforeseen circumstances.
- Overall it is critical to spend time planning at the beginning of a project or programme, in order to increase the overall chances of success.

# Planning Management: what's in it for me?

- Projects often fail because they are poorly planned due to pressure to simply get on with the work at pace.
- However, planning at the outset provides focus and direction for everyone involved in the project/programme.
- Good planning will give the Project or Programme Manager a much stronger basis for controlling the work as it moves forward.
- Involving key stakeholders in the planning process also helps you to build their understanding and support from the outset
- Taking time to plan at the beginning should help to reduce the probability of unforeseen problems arising, as you have already spent time thinking through the various scenarios
- When issues do arise, or circumstances change, it's much easier to re-plan your project/programme if there is an original plan that you can revisit and build on.

# What is involved in Planning Management?

The level of planning needed will depend on the complexity of the project or programme that you are working on, however the types of things that should be covered include:

**Identify outcomes/benefits, objectives & scope**

**Identify constraints & assumptions**

**Estimate resources**

**Define deliverables**

**Identify dependencies/interdependencies**

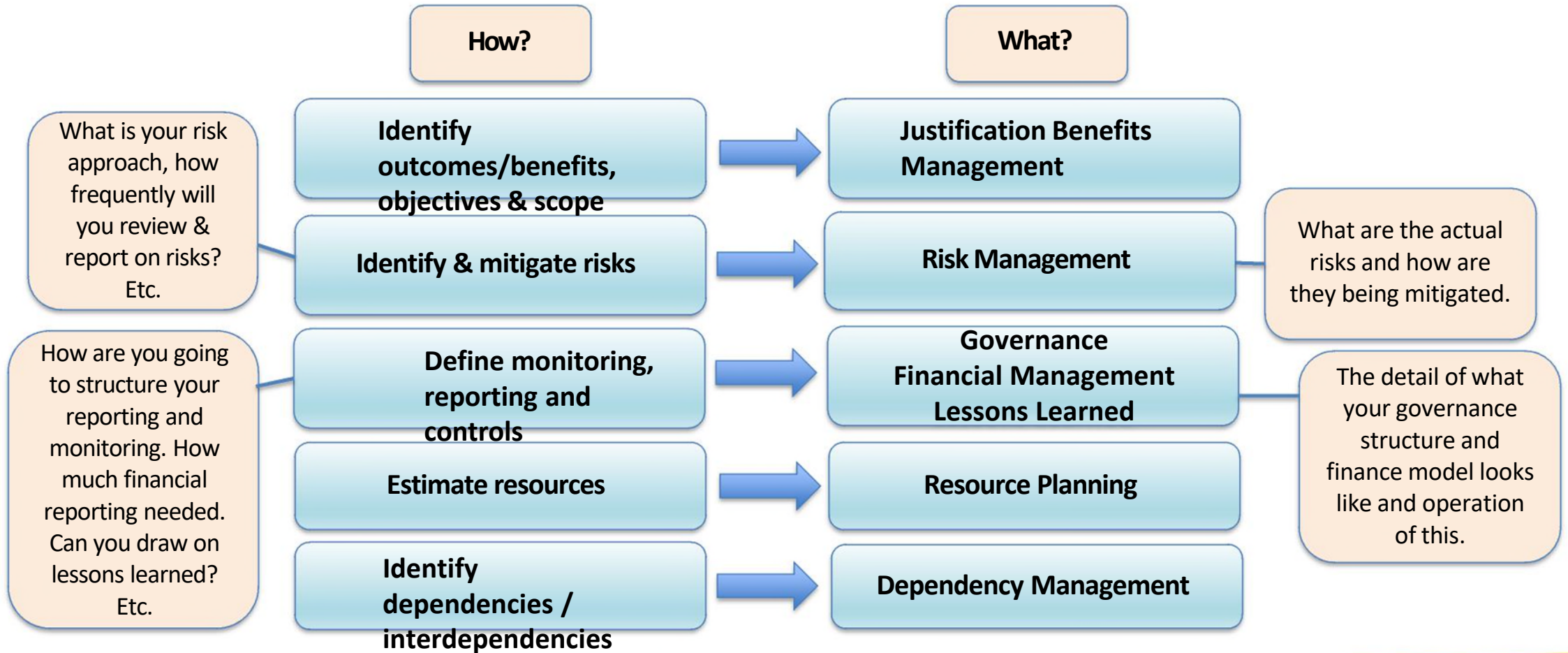
**Identify & mitigate risks**

**Specify activities to develop deliverables**

**Estimate timescales & sequence activities**

**Define monitoring, reporting and controls**

# How Planning Management links with the other fundamentals



# Project Initiation Document (PID)

- In the development of projects it is common for a [Project Initiation Document \(PID\)](#) to be developed as part of the initial project planning process.
- The PID defines the project scope and identifies how the project will achieve its objectives. It sets out the ***proposed approach*** to the project, covering the following key areas

**Project definition Quality management**

**Project approach Change control**

**Business case Risk management**

**Governance Stakeholder management**

**Project Plan Project controls**

- The PID is a living document which is updated and revised as necessary throughout the project.
- The PID contains the [Project Plan](#) – this sets out the specific deliverables, activities and resources required across the project .

# Project/Programme Plans & Gantt Chart

- The [Project or Programme Plan](#) sets out the specific deliverables/activities/milestones, how and when these will be delivered, and an estimation of the resources required to deliver the project.
  - See 'An Introduction to Resource Planning' for more details.
- In small projects or programmes it may be sufficient to have one overall plan for the life of the project/programme.
- For larger projects and programmes, it may be necessary to break the detailed plans down into more manageable stages and create individual [Stage Plans](#).
- Stage Plans cover the same information as overall project/programme plans but just cover specific periods within the overall project/programme.
- A [Gantt Chart](#) is also often used to plan, schedule and monitor all of the tasks in your project or programme, milestones and to show the key dependencies.
  - There are many different approaches to developing a Gantt chart: from a simple excel form that you can create yourself, to bespoke software such a 'MS Project'.
  - The level of detail you need depends on the complexity of your project or programme.
  - See 'An Introduction to Dependency Management' for more details about reflecting key dependencies in plans
- Once developed, baselining the programme/project plan at a point in time supports tracking, monitoring and reporting on progress.

# Useful planning management tools

Some useful planning management tools include:

- **PID** – a document which defines the project scope and identifies how the project will achieve its objectives and the overall approach it will take.
- **A Project/Programme Plan** – an overall plan to show major deliverables, activities and resources required across the whole project.
- **Stage Plan** – a plan which may be created to provide a detailed plan for an individual stage of a project.
- **Gantt Chart** - a tool which helps you to plan, sequence and monitor all of the tasks and the dependencies between them in your project or programme.
- **Resource plan** – a tool to help you organise, allocate and manage the resources needed to carry out tasks and roles involved in delivering projects and programmes. The resource plan also helps you to identify the overall cost of the resource utilised over the life of the project or programme

# Introduction to risk & issue management

V2.2 (November 2025)



# What is risk & issue management and why is it important?

- Effective risk & issue management is a critical activity in project and programme management, because it can increase the chances of a project or programme successfully delivering its outcomes, within planned timescales and budget.
- The aim of risk management is to manage a project or programme's exposure to risk by taking action to keep that exposure at an acceptable level, or to mitigate it, in a cost effective way.
- Risk management involves assessing the project or programme's exposure to each identified risk by considering both the probability that the risk will materialise against the impact that it would have if it did materialise.
- Issue management is the process by which issues, which could have an adverse impact on a project or programme, can be identified and addressed to remove the threats that they pose.

**A risk is an uncertain event that, if it occurs, will have an effect on the achievement of the project or programme's objectives.**

**An issue is an unplanned event that actually occurs within a project or programme and therefore needs management action. It could be a problem, query, change request, or a risk that has materialised**

# Risk & issue management: what's in it for me?

Managing risks and issues effectively demonstrates that you are aware of the challenges a project may face and have considered options to deal with them appropriately.

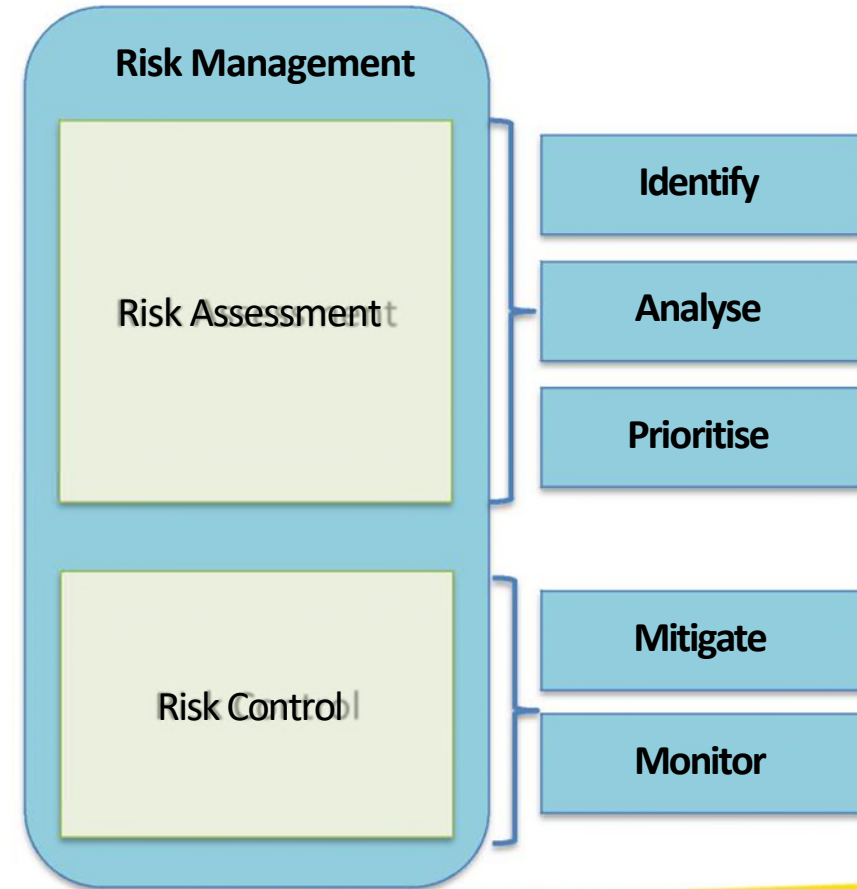
The time and effort spent addressing risks early, is likely to be much less than that you would spend dealing with a negative impact if a risk occurs!

Proactively managing risks and issues can:

- Make managing your project/programme easier as you are now aware, and have planned for, things that can go wrong and have assigned responsibility for managing the risk.
- Make all key stakeholders aware of the things that could go wrong to avoid nasty surprises along the way.
- Ensure that the responsibility for managing risks is allocated to the most appropriate individuals and not left up to the Project/Programme Manager.
- Assist you in discovering new possibilities as risks can also have positive impacts.
- Result in the SRO and decision making bodies making more informed decisions about your project/programme.

# Simple risk management approach

- Risk management is an ongoing process throughout the life of the project. The key steps you should take in risk management are:
- **Identify:** What are the risks (threats and opportunities) that could affect the project, categorise and identify risk owners.
- **Analyse:** Assess the risks in terms of their likelihood of actually occurring (probability) and the scale of the impact they would have on the project/programme objectives
- **Prioritise:** Prioritise risks so you are focussed on addressing those which could have the greatest impact and are the most likely to occur
- **Mitigate:** Plan mitigation measures for each risk, identify mitigation owners
- **Monitor:** Carry out the planned mitigation responses, continue to monitor and assess risks.
- Its critical to keep communicating with stakeholders throughout the process, using existing meetings, reports and ensuring risks are discussed regularly.



# Setting out risks

Capturing risks in a meaningful way, can sometimes be challenging. The following wording can be used, to help you in defining and articulating risks, in a consistent way.

- Due to: (cause)
- There is a risk that: (risk)
- Which may result in: (impact)



**Top  
Tip**

# Risk Register and RAIDD log

- A risk register or a RAIDD log is a key tool in helping you to manage risks.
- While a risk register just deals with the management of risks a RAIDD log incorporates a risk register but also covers a wider range of areas (**R**isks, **A**ssumptions, **I**ssues, **D**ecisions, **D**ependencies)
- The key information collected and recording in a risk log (or the risk section of a RAIDD log) includes:
  - Unique risk reference no
  - Risk owner
  - Risk description
  - Date risk was identified and current status of risk and also movement from last period
  - Risk category
  - Mitigation strategy & actions
  - Mitigation owner
  - Related assumptions that are linked to the risk
  - A risk score which is determined by considering impact v probability

# Assessing risks

- A fundamental part of the risk management process is assessing the level of exposure that the project or programme faces to each individual risk
- This is done by allocating an overall 'score' to each risk by considering the following 2 factors:
  - **Probability** that the risk will actually occur
  - The expected **impact** that it would have if it did occur.

**Probability x Impact = risk score**

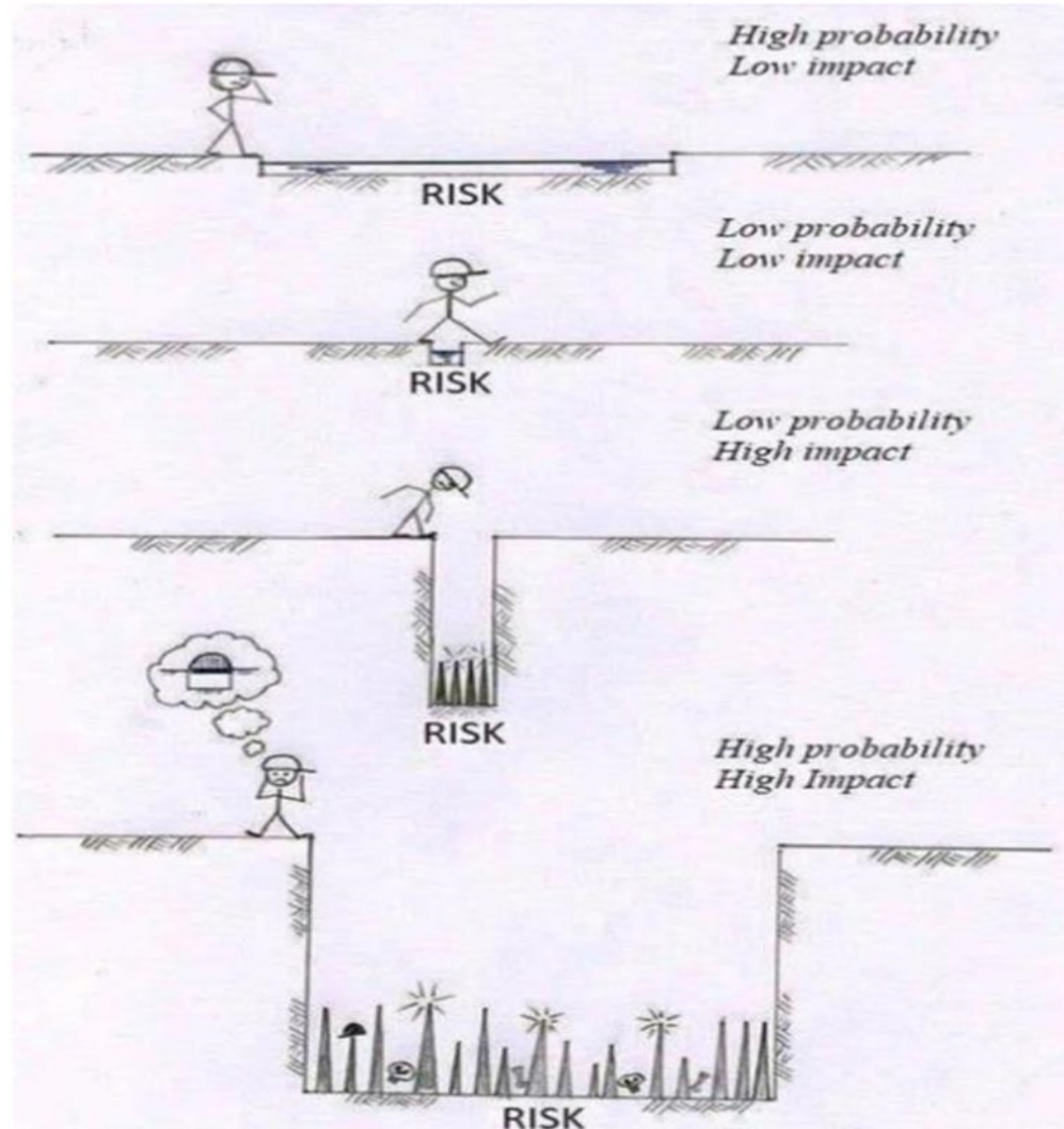
- To help with reporting, you can then categorise your risks as **Red**, **Amber** or **Green** depending on the overall score that you have given them
- This is demonstrated by the risk matrix example to the right

IMPACT SCALE

RISK MATRIX					
Very Significant	5	10	15	20	25
Major	4	8	12	16	20
Moderate	3	6	9	12	15
Minor	2	4	6	8	10
Insignificant	1	2	3	4	5
	<b>Rare</b>	<b>Unlikely</b>	<b>Possible</b>	<b>Probable</b>	<b>Almost Certain</b>
Frequency	This will probably never happen/recur	Not expected to happen or recur over a 3-year horizon	Might happen or recur within 3 years	Is likely to happen within 3 year happen	Very likely to happen in next year
Likelihood	Less than 5% change	Around 10% change	Around 25% change	Around 60% change	Around 90%
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

PROBABILITY SCALE

# Probability & Impact Visual



# Managing Issues

- Unlike risks, which are potential events or problems that *might* occur, issues are actual events or problems that *have* already arisen and therefore need to be addressed.
- Once issues have been identified it is important to proactively manage them, so that they don't have an adverse impact on the overall success of the project or programme.
- An issues log can be used to record and manage issues – it can be a standalone document or if you are using a RAIDD log it will form part of this.
- The key information to be documented in the issues log includes:
  - Unique issue reference
  - Date issue identified
  - Issue description
  - Person/group who raised issue
  - Mitigation to be applied and owner for this
  - Details of who the issue will be escalated to
  - Progress update to provide details of current status

# Useful risk management tools

Some useful risk and issue management tools include:

- **RAIDD Log (Incorporating a Risk Register and Issue Log)**