



**Delivering Successful Change:
The Leeds City Council
Project Management Handbook**

Version 1.6



The Leeds City Council
Project Management Handbook
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This handbook is a product of the Delivering Successful Change Project.

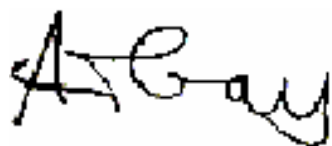
Foreword

As Director of Corporate Services and Sponsor of the ‘Delivering Successful Change’ Project, I welcome the publication of Leeds’ Project Management Framework.

This document sets out, for the first time, a Council-wide approach to project management. It defines the basic processes and procedures to be followed throughout a project lifecycle and supplies standard documentation and advice to support you through each stage.

The Leeds Project Management Framework takes industry best practice and local government project management expertise and places these within the Council’s existing governance structure in order to present a methodology that is scaleable and provides an appropriate and consistent level of control for any project. Project boards, project executives, corporate priority boards, programme managers, Project Managers, project assurance officers, councillors and officers involved in projects will be expected to adopt this methodology.

My thanks go out to all Council staff that have contributed to the production of this document, as well as those who provided us with advice and encouragement based on practical experience.



Alan Gay

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THE LEEDS CITY COUNCIL APPROACH TO PROJECT MANAGEMENT

Introduction

The purpose of this handbook is to provide staff and councillors with an understanding of the basic processes and requirements for project management within Leeds City Council. The methodology was developed using best practice from a number of sources including Manchester City Council, and has been designed to be scalable and flexible so that it can be applied to projects of various types, size or complexity. The handbook sets out the processes to be followed and provides generic project documentation (including templates) as well as guidance on techniques and best practice. The terminology used in the handbook reflects that in common usage within project management disciplines. It is intended that this should be adopted as the common language for the management of projects across the Council to ensure a shared understanding of roles, responsibilities and activities.

To maintain consistency across the Council, it is important that the content of the handbook is not altered. Suggestions for change can be forwarded to the project via the email address link on the intranet.

The handbook is a product of the 'Delivering Successful Change' (DSC) project and has been produced in conjunction with experienced project management practitioners within the Council. Guidance and documentation will be revised as necessary in order to incorporate other elements of best practice, or to include any other appropriate changes.

The current version of the handbook, templates and supporting information will be available on the intranet, with a version number recorded in the header of the document. If you are using a printed version of the handbook, please refer to this information to ensure that you are using the latest version of the handbook.

What are ‘projects’ and why is a corporate approach needed?

The industry standard definition of a project is:

“A set of co-ordinated activities, with a specific start and finish, pursuing a specific goal with constraints of time, cost and resources.”

(ISO 8402)

Effective project management has become established as the industry-preferred method of delivering change. Project management has not historically been undertaken to a single corporate standard within the Council, although there have been examples of best practice and successfully delivered projects. However, given that this has not been universal, it has now been agreed by the Corporate Management Team (CMT) that a corporate approach and standard methodology should be developed and implemented.

The introduction of this approach will aim to achieve the following benefits:

- a more coherent, corporate approach to the prioritisation of projects that is essential for continuous service improvement
- an increased likelihood of resources being targeted towards delivering Council Plan objectives and corporate priorities.
- the availability of more effective project management skills within the authority that will increase the odds of successful change and efficient service delivery.

Project, programme or work package?

A programme is a group of individual but related projects which share a common strategic objective or outcome. It is NOT an alternative word for a large project. Projects with related outputs can be more effectively managed within programmes, to provide coherence and avoid unnecessary duplication. Programme management is:

“.....the effective co-ordination and management of a group of individual, but related, projects in order to produce an overall system that works effectively....” (Association of Project Managers definition).

Detailed guidance on the Council's programme management approach will be produced in a separate handbook (release date TBC).

'Work packages' (also referred to as workstreams, strands or sub-projects) are deemed to be discrete areas of work within a single project and can vary in size. The person managing the work usually reports to the Project Manager.

Principles of effective project management

Effective project management provides a structured approach to successful delivery by controlling the way that change is made.

At a basic level, a corporate project management methodology will support the efficient and effective achievement of the Council's objectives. The process descriptions, direction, documentation, templates and techniques included here will act as a guide at every stage in the project's lifecycle. A project management methodology cannot by itself guarantee success. However, it can, if properly applied and supported, be a major factor in reducing risk and assisting projects that are currently not on track to achieve their stated outcomes.

In organisational terms, the implementation of a standard approach to project management should:

- Provide a controlled and organised start, middle and end for all projects
- Allow effective delegation of responsibilities and actions within agreed tolerances (tolerances are the defined boundaries for changes to time, cost or quality, e.g. the project may have a + 10% tolerance in terms of exceeding budget, but not tolerance in terms of missing the deadline)
- Prompt regular reviews of progress against the project plan and business case
- Ensure automatic management control of any deviations from the scope and plan
- Involve management and stakeholders at the right time and for the right reasons
- Set up clear communication channels between the project and its stakeholders
- Provide early warning of, and the ability to manage, project risks and issues
- Allow the option to close a project prematurely if it ceases to be viable
- Support effective management through regular reports on progress, cost and risk
- Ensure that the proposed benefits that made the project viable are fully realised

The Council's approach to project management is driven by the need to fully understand the corporate impact of a change before committing substantial resources to a project. One of the benefits of implementing a formal project management methodology is the recognition that a large part of the work can be completed during the Start-up and Initiation stages, that is before *all* the project resources are allocated.

Characteristics of a Project

Any organisation needs to be able to identify what its projects are so that they can be managed effectively. It is not unusual that the changes required may initially seem to be only a slight variation on 'business as usual' and that the implementation of the change can be dealt with informally. Unfortunately, such initiatives can become confused and expand beyond the original objective before those involved recognise that a more structured management approach should have been applied at the start.

Projects have defined costs and resources and will also have some or all of the following characteristics:

- they are **time-limited**: unlike day-to-day activities, a project has an agreed end date.
- they have **objectives**: there must be an objective or set of objectives that the project sets out to meet in the form of 'outcomes', 'outputs', 'deliverables' or 'products'. Objectives and deliverables help to define the project scope and ultimate value in terms of benefits and viability.
- they involve **change**: this could be as simple as upgrading a single piece of equipment or as complex as integrating the systems, people and cultures of two functions or services. One way or another, the change should create value for the organisation.

- they deliver the **benefits** that will drive the project. If there are no clearly identifiable benefits to the organisation and its customers then the project should not be pursued. In certain cases, the benefit may be simply to comply with legislative and government requirements; in others, benefits may generate efficiencies, savings or increased revenues, or move the organisation forward.
- they are potentially **risky** because whilst existing business processes provide a known means of getting things done, projects often have to tackle problems without precedents. As well as achieving their main objective, these projects can create new processes that need to be captured and formally recorded prior to integration into the business.

Any project, regardless of its complexity, can be recognised by three basic components: **outputs**, start **and end dates**, and **resources**. The fundamental information needed to plan and manage any project will be the same, although the way in that it is acquired, developed, managed and used may differ. Not all changes need to be made in a formal project environment, for example, and the person charged with effecting the change may be doing so as an additional part of their day job. Even so, the Delivering Successful Change methodology can still be useful in that it primarily provides a formal approach to managing change, regardless of size and importance, and can be adapted and scaled to fit a multitude of scenarios.

The Council's project framework provides guidance for project boards and Project Managers, spells out what constitutes a major project, and explains which documents and processes are mandatory for managing these.

The LCC Project Impact Assessment Scorecard

Whilst all projects should follow a fundamentally similar set of processes, the size and complexity of a project will affect the degree of governance and management that needs to be implemented as well as the approvals required. In order to assist those involved in initiating projects to determine the appropriate levels of governance, project management and rigour required, a Project Impact Assessment Scorecard has been developed and can be found in the **Appendix**.

The Scorecard complements the corporate risk assessment process and is used during the pre-project assessment stage to facilitate the initial analysis of the potential impact of the project.

The considerations include the project's impact on:

- the Council's corporate priorities
- the public
- front-line services
- partners and external stakeholders
- councillors
- back office operations

Users score each of the impacts listed from 1 (insignificant) to 5 (highly significant), and the total score, that is generated automatically, indicates the scale of the potential impact of the project (small, medium or major) and the degree of rigour that may be required to manage the project.

PROJECT ORGANISATION

Structure

There are different ways to structure a project, but there are key roles that should be undertaken in all cases. 'Roles' should not be confused with 'personnel' as it is quite possible that those associated with the project will be expected to take on more than one role.

At the most basic level, every project will have:

- A **Sponsor** - the driving force behind the project: this person may also act as the project's Executive.
- A **Project Executive** – the ultimate decision-maker who will chair the Project Board
- A **Project Manager** – the day to day manager responsible for outputs
- **Project support** – administrative support for the project team
- **Stakeholders** – internal and / or external representatives of those affected by the project

A small project, i.e. a project that has a low level of impact or complexity, requires a relatively basic organisational structure, and the Board may be able to carry out its own assurance. (see **Fig.1** below).

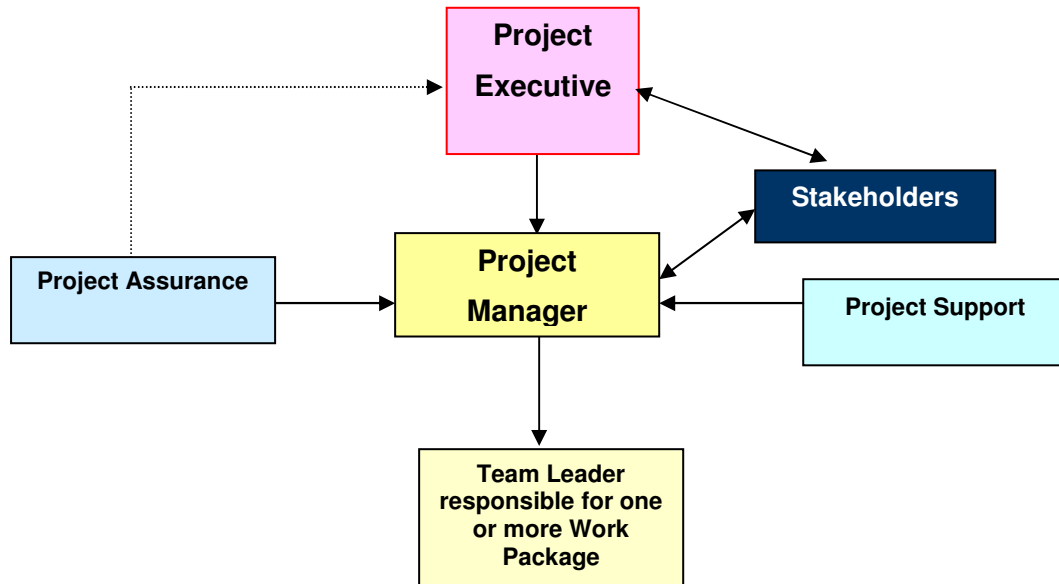


Fig. 1.

It is important to note that even ‘small’ projects require there to be clear roles and accountability, just as in as major projects. The two types only differ in the degree of rigour and control required, and the number of people involved, not in the quality of the management.

By way of contrast, a larger project is likely to need a more complex structure (see Fig.2 below). In the expanded version shown, the basic roles are the same, but are complemented by additional resources that will support the management of a more complex project.

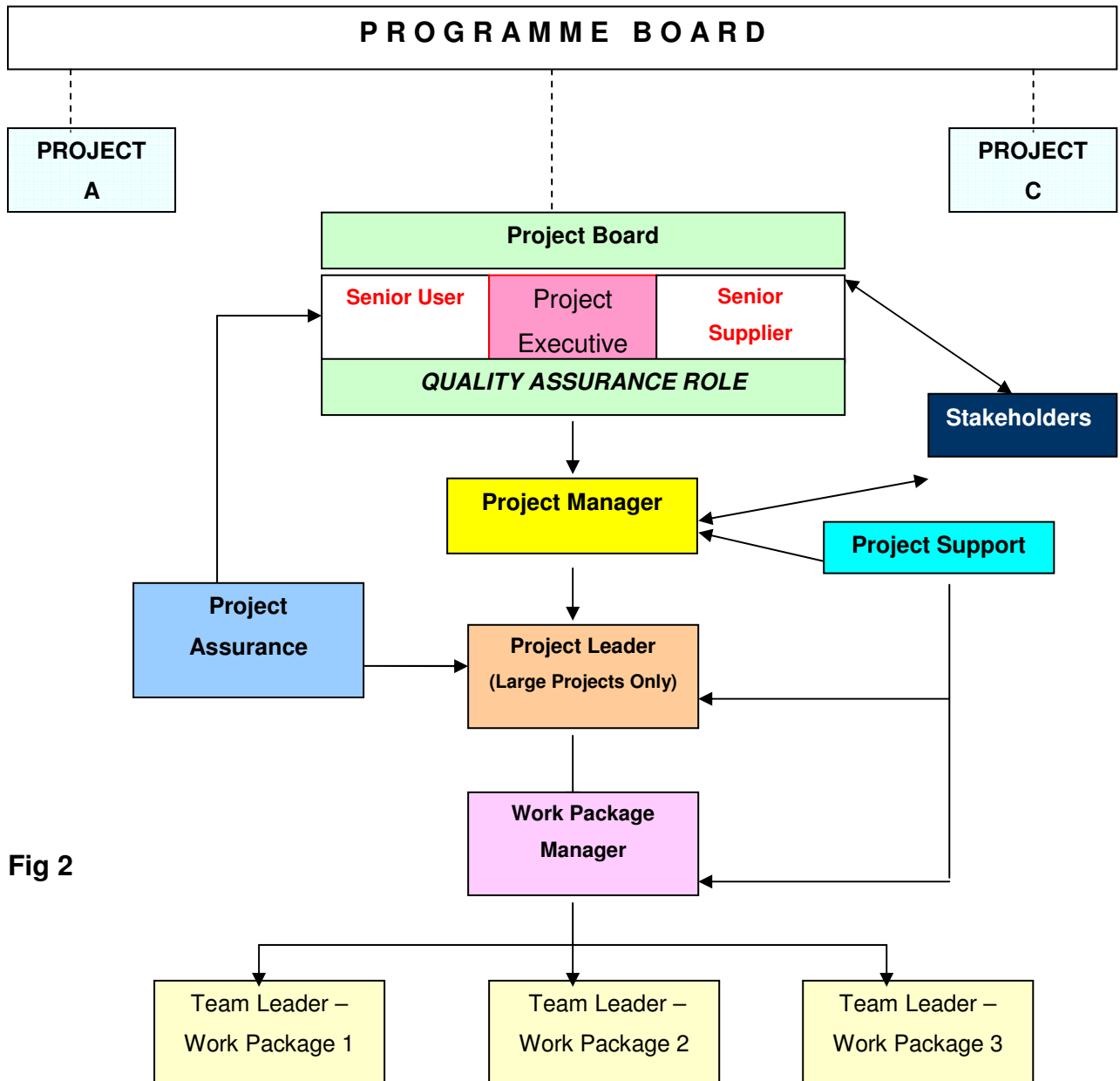


Fig 2

It is crucial that all project team members (including board members) clearly understand their respective roles and responsibilities in order for them to be effective. Everyone involved has an important part to play in the successful delivery of the project and it is vital that they are kept well informed at all stages.

In this model, the Executive is supported by a Project Board, with a Senior User and a Senior Supplier helping to monitor and control progress, as well as informing key decisions. If the project is part of a programme, the Project Executive will liaise with the Programme Board and Senior Responsible Owner (SRO), who is the equivalent of the Project Executive at the programme level.

ROLES AND RESPONSIBILITIES

The Project Executive

The **Project Executive** has the ultimate responsibility for ensuring that a project meets its objectives and delivers the required benefits, and should be recognised as the project owner throughout the organisation.

The Project Executive's role includes:

- Ensuring that the project's objectives are aligned with corporate priorities, the Council Plan, and are included within the Council's Financial Plan if appropriate
- Ensuring compliance with the corporate project management methodology
- Ensuring the project's compliance with all Council standards, including Contract Procedure Rules (CPRs) and Financial Procedure Rules (FPRs)
- Defining the major business aims, priorities and intended benefits of the project
- Appointing the project board and Project Manager
- Owning the overall business change that is being supported by the project, including owning the Business Case
- Championing the project and taking a lead role in marketing and promoting the outcomes and benefits
- Setting time, cost and quality criteria
- Demonstrating that the investment in the project is justified by realising all anticipated benefits

All projects should contribute towards key strategic objectives in order to ensure that the Council's stated aims and objectives are delivered. The Project Executive is accountable for ensuring that any commitment of resources can be justified in terms of strategic fit.

The Project Executive must be in an appropriate position within the Council to make key decisions, as well as being able to provide proactive leadership and direction throughout the life of the project. In order to fulfil these responsibilities, the Project Executive will usually require the support of a project board. The appointment of a board does not negate the overall responsibilities of the Project Executive who should always chair the board, as well as take executive responsibility for all decisions relating to the project.

In circumstances where a consensus cannot be reached, the Executive has the casting vote and is empowered to make final decisions without the agreement of any other board member. Given the importance of the role, it is usual that the Project Executive remains in place throughout the project unless exceptional circumstances occur.

The Project Board

The board's primary role is to support the Project Executive in ensuring that the project meets its objectives and delivers the intended benefits. A 'Self-assessment Checklist for Project Boards' that has been produced in conjunction with Internal Audit to help boards with their task and is included in the **Appendix**.

In order to fully support the Project Executive, the board membership should include a **Senior User** (SU). This person represents those managers with an interest in the project and who own areas of work that will be impacted. This individual should also represent the users, promoting their concerns and interests on the board and communicating outcomes back to the business. The SU also advises on the availability of user resources for the project, as well as ensuring that products and outcomes meet user requirements.

The board membership should also include a **Senior Supplier (SS)**. This is the individual who will represent the interests of those designing, developing, facilitating, procuring and implementing the project outcomes. The Senior Supplier is invited onto the board to provide perspective and expertise; their specific duties will include accountability for the quality of products delivered by a supplier as well as responsibility for acquiring and committing supplier resources. The SS can be a member of an external organisation.

Depending on the nature of the project, the Project Executive may require expert or specialist opinions from any number of additional personnel at various stages of the project lifecycle. It is recommended that such additional personnel should only be co-opted as required, and not appointed as permanent board members.

The board members should ideally be individuals who will stay with the project from start to finish, although circumstances may dictate otherwise. Board membership, however, is totally dependent on relevance to the project. If there is a change in supplier, for example, there will need to be a change in supplier representative; if the scope of a project is changed board membership should be reviewed.

Given that senior managers are often inundated with board meeting commitments, the emphasis must be on quality rather than quantity, with board meetings taking place because decisions and/or direction are required, not because the last meeting took place four weeks ago. Board members must be given time to assimilate briefings prior to the board meeting, so good practice dictates that papers should not be distributed at the last minute.

If the project is going to plan, the Project Manager's job is to ensure that all board members are kept updated. Board members will be expected to make important decisions at agreed key points in the project, and also if things begin to go wrong.

As a general guideline, it is vital to limit full-time board membership to essential personnel only. To achieve optimum efficiency, a core membership of no more than three to five board members is recommended wherever practicable.

Project Board Responsibilities

All project board activity is directed by the Project Executive, but board members should be aware of the broader perspective and be proactive in brokering relationships with stakeholders. They need to understand the project documentation and be able to recognise and act on those factors that affect the successful delivery of the project. Board members provide delegated authority to the Project Manager and monitor progress to ensure the project meets its objectives.

Project Board responsibilities include:

- Agreeing the board's structure and terms of reference with the Project Executive
- Agreeing the Project Manager's remit and delegated authority
- Signing off the Project Initiation Document (PID)
- Approving major plans
- Authorising any major deviations from the agreed stage plans
- Signing off the completion of each stage, including any deliverables, and giving approval to start the subsequent stage
- Communicating information about the project to stakeholders in conjunction with the Project Manager
- Ensuring that the required resources are available
- Resolving any conflicts escalated by the project team, client or supplier
- Agreeing the project tolerances for time, quality and cost
- Providing overall strategic guidance for the project
- Liaison with Programme Board if the project is part of a wider programme
- Providing advice and direction to the Project Executive
- Approving the End Project and the Lessons Learned Reports
- Ensuring that a Post-Project Review is scheduled and takes place
- Managing the risks associated with the project
- Monitoring the quality assurance for the project

Project Assurance

Project Assurance is a board responsibility, but in many projects this function is delegated. In simple terms, it provides an independent review of a project, carried out at regular intervals, that provides the project board with an objective assessment of progress. If used appropriately, Assurance will enable early identification of issues leading to a quicker resolution and an improved chance of project success.

Within Leeds City Council, this role is usually undertaken by the Project Assurance Unit (PAU). PAU produce a 'Healthcheck Report' following a regular interview with the Project Manager, and this provides the Board with a current status assessment of the project in the following areas:

- Risk management
- Resource management
- Financial management
- Project planning
- Business change
- Supplier management
- Benefits realisation
- Training
- Acceptance / Governance
- Configuration and change management
- Communication

Project Assurance is appointed by the board to monitor all aspects of project performance independently of both the project board and Project Manager and asks fundamental questions of both:

- Are things really going as well as we are led to believe?
- Are we going to get to where we want to go?
- Is the solution still what we want?

Ultimately, however, PAU has a responsibility to provide independent, honest and accurate reports to the board, and must ensure that they maintain the focus and independent perspective required to fulfil this role.

Project Assurance also carries out Post-Project Reviews on fully assured projects to check if the products have met the business requirements, and that the benefits stated in the business case have been realised. On non-assured projects, this function is completed by the Project Manager.

Due to resource limitations, it is not possible for PAU to provide a full assurance service for each and every project within the organisation; PAU are, however, available for initial consultation on all project matters, and will provide a level of assurance for all major projects as required.

The Project Manager

The **Project Manager** is responsible for delivering a project. Whereas the Project Executive takes executive responsibility, the Project Manager leads and manages on a day-to-day basis. As such, they must be fully empowered to get on with the job. If issues occur that may seriously impact on the success of the project - time delays, cost issues or deviations to original objectives - the Project Manager must escalate the issue to the Project Executive / Project board for a decision. Issues can occur at any time in the project lifecycle, and the escalation of an issue is not an indicator that the project is being poorly managed; on the contrary, it shows that the project is being controlled and that correct management procedures are being implemented.

The skills required by a Project Manager include:

- Applying standard project management approaches to the specific requirements of the project
- Directing, managing and motivating the project team
- Developing and maintaining an agreed project plan and detailed stage plan(s)
- Identifying any requirement for expert knowledge
- Planning and managing the deployment of resources to meet project milestones
- Building and sustaining effective communications with other roles in the project
- Understanding and applying quality management principles and processes.

It is essential that, wherever possible, the Project Manager should be appropriately trained in project management techniques and processes. The skills and experience of the Project Manager must be matched to the requirements of the project. Although project management is a very particular discipline that requires both a sound knowledge of techniques and a high level of organisation and motivation, the use of the corporate methodology should provide a basis for skilled and motivated individuals to successfully deliver a particular planned change without extensive formal training. Adhering to the methodology and using this handbook will not, in itself, qualify individuals to manage large and complex projects. However, it should provide the basis for a commonsense and process-based approach in line with national best practice.

Project Manager Responsibilities

The Project Manager, operating within agreed tolerances and reporting structures, is responsible for:

- Ensuring that the project is managed in compliance with the corporate methodology by applying an appropriate management framework for the project, using relevant project standards
- Ensuring, in conjunction with the Project Executive, that the project complies with all Council standards, including Financial and Contract Procedure Rules
- Managing the production of the required deliverables
- Appointing and managing team leaders, if required
- Planning and monitoring the project
- Managing the finances of the project throughout its lifecycle
- Preparing project budget predictions and monitoring as required
- Preparing and maintaining the appropriate plans as specified in the corporate methodology
- Monitoring change control and any configuration management required
- Managing project risks, including the development of contingency plans
- Monitoring the overall progress and use of resources, initiating corrective action where necessary
- Producing reports as agreed including Highlight reports, End Stage reports and Stage Plans

- Liaising with Project Assurance to monitor the overall direction and integrity of the project
- Identifying and obtaining the support and advice required for the management, planning and control of the project
- Preparing the Communication Plan and disseminating information to stakeholders
- Managing project administration and liaising with the Project Support Office, if applicable
- Conducting an end of project evaluation to assess how well the project was managed
- Preparing an End-Project Report and presenting it to the Board
- Evaluating the project in terms of benefits realisation
- Preparing a Lessons Learned Report
- Preparing the Post-Project Review Plan and documenting any follow-on actions or recommendations (if Project Assurance Unit not attached)

Project Team Members

Team members carry out tasks or groups of tasks specified by the Project Manager with agreed deliverables and to agreed timescales. Team members are expected to take responsibility for their own tasks, to keep the Project Manager informed about progress and to exercise initiative if they become aware of other factors outside their specific task that might also affect the project. Team members may report directly to the Project Manager or to team leaders appointed by the Project Manager to manage specific work packages.

The Project Support Office

Project Support Office (PSO) responsibilities include the control and management of much of the project administration, and can provide a valuable source of advice for a new Project Manager. Not all departments run sufficient projects to justify having a permanent PSO function, in which case the Project Manager will appoint administrative support.

Stakeholders

Every project will be of interest to a range of individuals and groups who are not part of the core team, but have a valid interest in following the progress of the project. The Project Manager needs to take a proactive approach to identifying potential stakeholders and record, in the Communication Plan, their relationship to the project and its deliverables, how and when they should be kept informed, what information they need and what information they can provide to the Project. Some or all of the stakeholders may be involved in consultation and feedback processes before, during or after the project.

Stakeholders can include:

- the intended users of the project's deliverables
- people in the organisation whose day-to-day jobs will be affected by the project
- councillors
- managers and team members of other projects that depend on the project to provide either outputs and /or make resources available at specific times
- existing or previous service users

Even a small project will have stakeholders, and ignoring them can be a risk to the project's success. The impact of a disgruntled stakeholder can be detrimental to a project, but positive and enthusiastic supporters, if managed effectively, can be a major asset. All projects run the risk of encountering stakeholders that may not be fully engaged or, in some cases, actively opposed to the proposed change: in such cases, careful management can mean the difference between success and failure and good, consistent communication becomes paramount.

Specialist Advisors

Specialist or expert advisors can add value to a project if used appropriately to address a specific problem. Such experts - internal or external - may not merit full inclusion in the project team, though time and budget should always be set aside for briefings, and these specialists should be included in the Communication Plan.

External Suppliers

It is common for projects to rely on external suppliers for some of their critical outputs. The supplier might take responsibility for a particular work stream, but the Project Manager is still responsible for overall delivery. The Project Manager should manage the supplier to the same standards that they would an internal resource. Suppliers should be set clear objectives and be required to give timely and accurate progress reports as other member of the team. They should also provide representation at project boards and at key decision points as necessary. Further guidance on contract and external supplier management are available on request.

Users

Users are the people who will take the project's output and use it to improve the organisation's performance. It is through these people that evidence of the business benefits of the project will ultimately be realised. This makes them a critically important group.

Their most important responsibilities are in specifying the requirements of future users at the start of the project, and in formally accepting the project outputs at the end. During the project, the role of the users will vary, but they will usually be called upon to provide on-going guidance and quality assessment throughout the life of the project in order to ensure that the outputs remain as agreed. This process is often called **User Acceptance Testing**, particularly with regard to formal software testing. If the Users become aware of potential issues, in particular around the design or use of the products, they are responsible for ensuring that the Project Manager is notified.

In the interests of effective communication, it is usual for the users to appoint a single contact, or **Senior User**, to handle their interface with the project. In some cases this representative may need to have the authority to make binding decisions on behalf of the user group, including the decision to accept or reject changes in the project.

THE PROJECT LIFECYCLE

Introduction

All projects go through the same basic lifecycle:

- a **thinking** period that ends with a decision about what needs to be done
- a **planning** period where a solution is identified or designed
- a **doing** period when the solution is developed and rolled out or implemented
- a **closing-down** period when the project is formally ended

In between these periods are a number of evaluation points that determine if the project remains viable and should continue. These are set out in the Leeds Project Review Process that has been developed to allow examination of the progress of a project at critical stages in its lifecycle and to provide assurance that it can progress successfully to the next stage. The term 'Gateway' is used here in a generic sense; within Leeds City Council there are a range of *specific*, formal approval procedures in place relating to specific types of project (e.g. PFI's, capital schemes, etc.). The Leeds Project Review Process is intended to complement rather than supersede these arrangements.

The process is based on proven techniques that lead to more effective delivery of benefits, together with more predictable costs and outcomes.

The 'Delivering Successful Change' project has developed the Leeds City Council Project Lifecycle. This represents the standard, logical way that the Council's projects should progress from concept, through delivery, to closure and indicates the points at which a rigorous evaluation of a project should be undertaken, and approval for continuation given.

Each lifecycle stage has requirements for specific management products, i.e. documentation generated by the PM as part of the management process. Each product has a corresponding **Template**, attached as an appendix to this handbook. It is acceptable for products to be adapted for departmental use and additional local requirements on the understanding that the base format and content is retained. See individual templates for additional guidance.

The **Project Review Process** is designed to examine a programme or project at critical stages in its lifecycle, and provide assurance that it can progress successfully to the next stage. The process is based on well-proven techniques that lead to more effective delivery of benefits, together with more predictable costs and outcomes. An example of the process is set out in the **Appendix**.

Stage 1 – Pre-Project Assessment

The project lifecycle starts when the requirement for change is recognised and agreed. The purpose of Stage 1 is to discuss ideas for changes and improvements to services, consider options and look at the strategic fit and potential impact of the proposed changes. As this stage takes place prior to formal project start-up, and before project management resources are allocated, it is anticipated that the initial assessment and supporting work will be done by the Project Sponsor or Executive, almost certainly drawing on additional resource as required.

During this stage it will be decided if the objectives align with the Council's corporate priorities, whether the work meets the criteria for a project and if it should, therefore, be formally managed. The primary focus of this stage is to describe the piece of work or activities that are necessary to deliver the objectives. This clarifies what is being requested and ensures all those involved have a shared understanding of the scope and desired outcomes.

The Project Mandate is produced during the pre-project assessment stage: it defines the purpose of, and justification for, the project. It will set out, briefly, the background and context of the project, the desired outcome, the scope and objectives of the proposals, the project's deliverables and the main risks.

The questions to be discussed at this stage should cover:

- Why does this change have to be done now?
- How does this change fit with other changes under way or on the horizon?
- Who are the main stakeholders and are any external organisations involved?
- Do we understand what constitutes success?
- Will our users and stakeholders support the change (and the project)?
- Can we identify measurable benefits?
- What happens if we don't make the change?

The Project Mandate need not take a specific form or contain great detail. What is important is that, at the very least, the mandate gives reasons for the project to be undertaken and the outcome expected. Regardless of the format of the Project Mandate, any incoming Project Manager MUST ensure that they fully understand what they are initially being asked to do, as well as making sure that their understanding is ratified by the project sponsor, preferably in a way that can be properly recorded and filed for the project records.

Before the Mandate is approved, the potential project should have been measured against the **Project Impact Assessment Scorecard**, and the result of this assessment (major / medium / small) will indicate the project's potential impact and the degree of governance and rigour necessary to manage the project successfully.

The Project Impact Assessment Scorecard is included in the **Appendix**.

At the end of Stage 1, based upon the Mandate, the relevant decision-maker will make an informed decision on whether the project should be approved to proceed through the Gateway (or be rejected or modified).

An example of the **Leeds Project Review Process** is included in the **Appendix**.

As an example of best practice, a **Project Mandate** template is also included in the **Appendix**.

Stage 2 – Project Start-up

This is the first ‘formal’ phase in a project’s lifecycle, i.e. from here on in the required change or changes will be managed within a formal project management environment, and subject to monitoring and an approval process. This phase lays the foundation for a well-planned and controlled project and focuses on project definition and feasibility. A **Project Brief** is drawn up during this stage, which includes an **Outline Business Case** (OBC) providing an initial indication of the resources, cost, scope, schedule and quality required to successfully manage the project. It confirms that the proposed project is viable, achievable and fits the Council’s strategic priorities.

A risk analysis is carried out and an initial **Risk Log** produced to evaluate the impact and likelihood of any potential risks: the log is updated frequently throughout the project lifecycle and the information incorporated in the End-Project report. Stakeholders are identified and a draft **Communication Plan** is drawn up.

The specification of the high-level business requirements must be led by those with a strategic understanding of the business and its objectives. These may be internal staff, consultants or a mix of the two. There will also be input from strategic planners and stakeholders in the business, such as partners, councillors and providers from other organisations.

The development of the OBC will demonstrate the project’s strategic fit with the Council’s corporate priorities and confirm that the reasons for the change are justified and beneficial. The document sets out the business benefits that the project will realise and at the conclusion of the project start-up stage, based on the initial planning and appraisal documents, the outline business case is revised and re-evaluated. A project board will be set-up at this stage in the project.

At the end of Stage 2 the Project Brief will be examined and a decision taken on whether the project is viable to proceed through the Gateway. The decision will determine if the project should proceed to the next stage or be closed down.

Templates for the Project Brief (including the Outline Business Case) and Risk Log are included in the **Appendix**.

At the end of Stage 2, based upon the Project Brief, the relevant decision-maker will make an informed decision on whether the project should be approved to proceed through the Gateway (or be rejected or modified).

On some projects, it may be appropriate to combine Stage 2 with Stage 3. Such an action would depend on project circumstances and the desirability of this course to all.

Stage 3 – Project Initiation

Once a broad need has been identified and agreed, the project approach must be defined. The purpose of the Project Initiation stage is to agree the specification and quality of the project's products, agree the project approach, the procurement strategy and determine the timescales and financial constraints within which the project will be delivered.

The **Business Case** (BC) expands the OBC and records any agreed variations from it. The BC identifies the:

- key stakeholders
- design specification
- budget requirements
- high-level project plan
- organisation structure
- procurement requirements

It clarifies the project's objectives and specifies how they will be achieved. It will include a detailed description of end-user requirements and indicate timescales, resources and costs. It is perhaps the most important single document that the project will produce, and it will be used to inform all decisions and approvals, as well as providing proof of robust management processes and a measure of the ongoing viability of the project as it progresses through the life cycle.

A **Requirements Specification** detailing customer requirements, quality expectations and acceptance criteria will be drawn up and the project board will use these as baselines against which to monitor progress, quality and costs. The specification must be drawn from extensive customer / user consultation, and the project must maintain a close relationship with this group as the project progresses.

A **Project Initiation Document** (PID) is an overarching collection of documents including the FBC and includes additional information about the project controls and tolerances, a full risk assessment and a detailed project organisation structure. It also contains outline **Stage, Project Communication** and **Quality** plans for use as appropriate.

A **Quality Plan** is also produced during the initiation stage and forms part of the PID. This sets out the way in which the supplier will deliver the products to meet the customer's quality expectations. It will identify the key product quality criteria and record the quality control and audit processes that will be carried out during the project. The Plan will indicate any standards (internal and external) that must be met and allocate responsibilities.

A checklist can be a useful way for a new Project Manager to ensure that they have considered the key elements of a project before the end of the initiation stage:

- Who is the customer, and what is known about them and their requirements?
- What will the project cost, and how will it be financed?
- What resources are available and what might be needed?
- What needs to be done and by when?
- What information might be needed?
- What needs to be procured?
- Who are the potential stakeholders and what do they need to know?
- How does the project relate to the strategic plan and corporate priorities?
- Are project goals, objectives, deliverables and deadlines clear?
- Have any legal issues been identified?
- What are the risks and what is the worst that could happen?
- Have the lines of communication been defined?

Templates for the Project Initiation Document, Communication Plan, Stage Plans, Quality Plans, Requirements Specification and the Full Business Case are available in the **Appendix**. There is also a template for a **Daily Log**: a method of recording required actions or significant events not applicable to other Project Management documents. It acts as the Project Manager's diary and is presented for use at the PM's discretion.

At the end of Stage 3, based upon the Business Case, the relevant decision-maker will make an informed decision on whether the project should be approved to proceed through the Gateway (or be rejected or modified).

Stage 4 - Project Delivery

This is the stage of the project where the products are produced and where the project is most at risk. An important consideration at the start of this stage is whether a tender process will be required and, if so, to ensure that all procurement is compliant with the Council's Financial and Contract Procedure Rules (FPRs and CPRs). Further information about procurement and finance is included in the section on Resource Management.

The day-to-day management of the project is delegated to the Project Manager by the Board who set tolerances and monitor progress through reports prepared for them by the Project Manager. These include:

- Project and stage plans
- Communication Plan
- Benefits realisation plan
- Quality plan
- Risk log

Others, including Exception reports, End Stage reports, Issue Logs, etc are produced as and when necessary. Templates for all these documents are included in the **Appendix**.

Detailed information about risk assessment is included in the chapter on Risk Management.

The **Stage Plan** for the first stage is drawn up during project initiation. This is more detailed than the Project Plan which provides an overview of the work to be undertaken throughout the project lifecycle. It is the Project Manager's responsibility to identify the stages required, then to draw up an overall plan to be presented to the Board for approval; if approved, it is expected that the PM then provide a detailed plan for each subsequent stage before the end of the preceding stage, again subject to Board approval.

As part of its control function, the project board only approves one stage of the project at a time. The Project Manager is responsible for providing the board with **Highlight** and **End Stage reports** to enable them to assess the risks and progress and decide whether or not the project remains viable.

Templates for all these reports are included in the **Appendix**.

During the delivery stage, a number of management processes are undertaken to control the products being produced, as well as the overall progress of the project. These include the management, monitoring and control of time, costs, quality, risks, issues, procurement, customer acceptance and communications.

If requests for change are received during this stage - deviations from, or additions to the project plan – these can be dealt with by the Project Manager as long as they fall within the tolerances set by the project board. In all instances, requests for change should be recorded in the **Change Log**; an **Exception Report** is used to record details of a deviation in which project tolerances are exceeded. A formal **Request for Change** is used if a board decision is required. It is important that the formal change management process is used when plans need to be modified.

Change Log and Request for Change templates are included in the **Appendix**.

Management of major projects is most effective when the work is divided into self-contained **work packages** that can be clearly scoped and managed. This applies to both the delegation of tasks to individuals, and at a higher level, to the management of a project within a programme.

It is possible to work with a basic structure that applies to the majority of projects, irrespective of the specific details. Work package and/or team managers provide the Project Manager with **Checkpoint** reports at agreed times, and these are used in the compilation of the Highlight reports.

Work Package and **Checkpoint Report** templates are included in the **Appendix**.

Tracking progress on a project should be a regular part of the daily routine, despite the numerous other duties that require the Project Manager's attention. At the most fundamental level, it is necessary to track the differences between what was planned and what is actually happening. This includes: whether start and finish dates for activities are being met; how cost estimates are working out in reality; whether planned resource requirements are matching actual utilisation; and whether the expected outputs are being created. Although this appears obvious, projects often fall behind schedule due to a lack of effective monitoring of these most basic elements.

Regardless of the monitoring process adopted (face-to-face meetings, e-mail, written reports, periodic groups meetings, etc.), the Project Manager is responsible for tracking the project. If the relevant information is not being provided, the Project Manager needs to be proactive in obtaining it. Setting a clear expectation for progress and status reporting at the beginning of the project is an important step in keeping a project under control. If there is an agreed requirement for particular reports to be submitted at set times, the Project Manager must ensure that this happens and contact those responsible as soon as the reports are overdue. Decisions about what should be done when the project goes off track cannot be made if no one is aware that it *is* off track.

The Project Manager is responsible for ensuring that stakeholders are kept informed throughout the project lifecycle, and especially during project delivery. Communication is an integral part of the project lifecycle and must be a major consideration at all times. Effective communication can mean the difference between success and failure and an initial **Communication Plan** will have been established during the initiation stage for inclusion in the PID. The plan identifies all those who will require information *from* the project as well as those who need to provide information *to* the project, and will be updated as necessary throughout the project.

A Communication Plan will:

- Identify stakeholders in the project
- Determine the information each stakeholder will receive and / or provide
- Set-out the method and frequency of communication between the project and each stakeholder

An effective Communication Plan can assist with buy-in and support by influencing a positive perception of the project; it can also sustain partnerships and contribute to the smooth running of the project. Key stakeholders are usually the board members, interdependent projects, service providers and users who will be affected by the project, councillors, partners and external organisations. It is important to ensure that suppliers and project team members are also kept well-informed.

There are many ways to communicate, including meetings (both formal and informal), workshops and seminars, email, on-line forums, internet and intranets, newsletters and the media: it is important to use the method of communication that is most effective for both the audience and the message.

If the project is part of a wider programme, there may be interdependencies with other work and this needs to be included in the Communication Plan. Shifting priorities are an issue for many projects: keeping informed about changing priorities in the organisation can provide a Project Manager with an early warning of impending problems and allow time to prepare contingency plans, if necessary.

A template for a **Communication Plan** is included in the **Appendix**.

Changes to projects are almost inevitable as the work progresses and these have the potential to change one or more of the *three* main constraints of any project - **Time** (the deadline), **Resources** (the people, materials and money available to do the project), and **Output** (the required deliverables).

Change that affects any of these constraints can seriously affect the ultimate delivery of the project: if the deadline is tightened, the project will need more resources to deliver the same output in the shorter timescale; if the resources available are reduced (usually in the form of people), the Project Manager will usually need more time to deliver the output; if the output requirements change (usually added functionality or features), there will be a need for either more time or more resources (or both).

Sometimes, major changes will occur and a significant new feature or function is required, but usually changes occur gradually over the life of the project. These small changes in isolation may not be significant, but cumulatively they may have a serious impact on the project's deliverables.

Every change to the project should be documented and eventually collated into the Lessons Learned Report. There are several points that should be recorded:

- Who is requesting that the change be made?
- What exactly are they asking to be changed and why?
- What, in their opinion, is the priority of making the change? How important is it?
- What, in your opinion as Project Manager, is the impact that making the change is likely to have on the project?
- What exactly is going to happen to the existing project plans as a result of the change?
- What additional resources will be required?
- How much additional time will be required?
- Will it affect either the timing or the content of the delivery?
- Who needs to be notified about the change?
- Who is authorising the change?

"Who is authorising the change?" is a key issue for the Project Manager. If authorised within agreed tolerances to approve additional resources, time or change in output, then the Project Manager can make the decision. Usually this is not the case and the Project Manager's responsibility is to provide all of the relevant information to the person who will make the final decision, usually the Project Executive and the Project Board. Whatever the decision, it should be recorded, signed by the appropriate person and filed.

Templates for **Off-specification Reports**, **Lessons Learned logs** and **Exception Reports** are included in the **Appendix**.

As another aspect of effective control of major projects, the Project Manager should consider drawing up a **Configuration Plan** to determine how the development of the project's products (both 'specialist' and 'management') will be controlled throughout the project.

Templates for a **Configuration Management Plan** and a **Configuration Item Record** are included in the **Appendix**.

At the end of Stage 4, based upon the appropriate documents, the relevant decision-maker will make an informed decision on whether the project should be approved to proceed through the Gateway (or be rejected or modified).

Stage 5 – Project Closure

At this point the Project Manager formally requests permission from the Project Board to close the project. Closure usually occurs at the natural (planned) end of the project's lifecycle, but can occur prematurely if the Board has decided that the project is no longer viable. Early closure is not an indication in itself that the project has failed, but it does indicate that it has been effectively and correctly managed and controlled.

Before signing off the project, the Board will check that the project's objectives (as set out in the PID and including any approved change requests) have been met. They will need to confirm that the benefits identified in the Business Case have been realised and that the users are satisfied with the products.

During closure, the Project Manager should ensure that:

- all stakeholders are informed that the project has been closed
- all project documentation, including '**Lessons Learned**' and '**End Project**' reports, has been completed and handed over
- project resources are released
- any recommendations for follow-on actions are notified to the Board
- a **Post-Project Review Plan** has been produced
- the project is formally signed off by the Board

Closing a project formally is recognition that the original objectives have been met and confirms to all those involved that their responsibilities have ended.

Much of the best practice from this stage is designed to collect and record the maximum knowledge and good-will from a project in ways that can benefit future projects. Post Implementation Reviews, Lessons Learned Reports, staff transfer releases, and the 'final celebration' are just some of the activities that can directly or indirectly build a strong foundation for future projects.

Project Closure Stage best practices are also important to the project itself. Some projects are easy to close, especially once the budget is exhausted. Other projects can drift on, however, particularly if there are still pending issues, change requests or outstanding snags, and ending these projects can be difficult.

Closing a project involves more than moving onto the next challenge: project closure is a formal process that includes the completion of a series of actions and reports in the same ordered way that the rest of the project has been managed.

The closing of a project is triggered by:

- the approaching end of the final stage, or
- when it is becoming apparent that the project is no longer viable

It is important to note that project closure does not always take place after the project has achieved its outcomes: priorities change and issues occur regardless of how well the project is managed. New developments may render the project irrelevant or obsolete before anything has been delivered. This is to be expected when projects are constantly monitored for viability, in terms of both project objectives and corporate/organisational objectives. It is an indicator of maturity that the decision to *stop* a project is timely and objective.

The focus of the Project Closure stage is:

- to gain acceptance for the products (if any)
- to identify any follow-on actions
- to review the performance of the project and report on lessons learned

Project closure is simply another stage in the project lifecycle, with the same requirement for clear and consistent project management. As the Project Manager and team will no longer be around after the end of the stage, it is important to ensure that all questions are asked, and the answers recorded, before those involved move on.

The Project Manager has very specific duties at this stage and these are to check that:

- everything has been delivered
- products or deliverables have been accepted
- all loose ends are tied-up
- any follow-on actions have been recorded
- up-to-date project records are stored
- project resources are released
- external contracts have been terminated (if appropriate)

The above actions apply mainly to Project Closure at the end of the project lifecycle rather than premature closure, but, even in the event of the latter, the Project Manager must consider all of these elements as part of their final project commitment.

The **Lessons Learned Report** is compiled from logs maintained throughout the project lifecycle, with specific reference to lessons that may be passed on other projects, or to further inform decision-making processes at a more senior level.

The **End Project Report** is produced by the Project Manager and presented to the Project Executive (and Project Sponsor if different). This sets out how well the project has performed against the PID, including the original planned cost, schedule and risk allowances, as well as against the revised Business Case and final version of the Project Plan. The End Project report should record details of any unfinished work or potential product modifications that will need to be considered by the wider business after the closure of the project and will be listed as follow-on actions or recommendations.

The Project Manager also provides the board with a Post-Project Review Plan that defines how and when the realisation of the project benefits can be measured. Wherever possible, names and dates should be included to ensure a clear transfer of responsibility for the benefits review that will take place once the project team has disbanded.

Templates for an **End Project Report** and a **Post Project Review Plan** are included in the **Appendix**.

Stage 6 - Post-Project Review

After the recommended period of time has elapsed, the **Post-Project Review Plan** will be used to conduct a Post-Project Review that will attempt to answer the following questions and record the answers for the benefit of future projects:

- Have the expected benefits of the project been realised?
- Did the project deliver within its agreed budget?
- Is there a trend of improving benefits?
- Are users and support staff happy?
- Are the outputs of the project meeting quality expectations?
- Is the change still well supported now that the project team has disbanded?
- Have there been any unexpected problems?

The findings of this review are used to quantify the overall success of the project and ensure that lessons learned are understood and recorded for future projects and to inform decision making at a senior level.

RISK & ISSUE MANAGEMENT

Some amount of risk is unavoidable if a project is to achieve its objectives; projects are inherently risky because they deliver change and lead to new ways of working. The aim of risk management is to assess the probability of risks occurring, the impact if they do and then identify ways to manage the risks.

Establish Objectives

Risks can only be identified with direct reference to project objectives. Internal and external stakeholders must also be consulted as each may perceive the same risks differently and even identify other risks. Agreeing, documenting and communicating the project objectives are the first step in risk management. This will be done as part of the Business Case.

Risk Identification and Analysis

Risk Identification is an on-going task throughout the project lifecycle, but as a minimum will be formally undertaken at strategic stages in the project such as feasibility, procurement, construction etc. The process involves the identification and documentation of all the risks that could impact the project. The methods for identifying risks involve drawing on previous experience through:

- Group sessions.
- Individuals.
- Questionnaires.
- Lessons Learned Reports

It is important to establish any existing controls that will manage the risk.

Risk Evaluation

Available data should be used to provide information to help assess the probability of any risk arising and the possible consequences it may have if it does occur with the current level of existing controls in place.

The **Risk Evaluation Matrices** in the **Appendix** should be used to help assign a numerical value to both probability and impact.

These matrices help to draw upon historic data and experience when assessing probability and a number of impact areas, such as financial, reputation, health and safety. By using such matrices, the Council will be able to rate all of its risks in an objective manner. This allows comparisons to be made and so enables better prioritisation when considering treatment.

Prioritisation Once all risks have been scored, they can be plotted on a risk map to highlight whether the risk is very high, high, medium or low, as depicted in **fig.3** below:

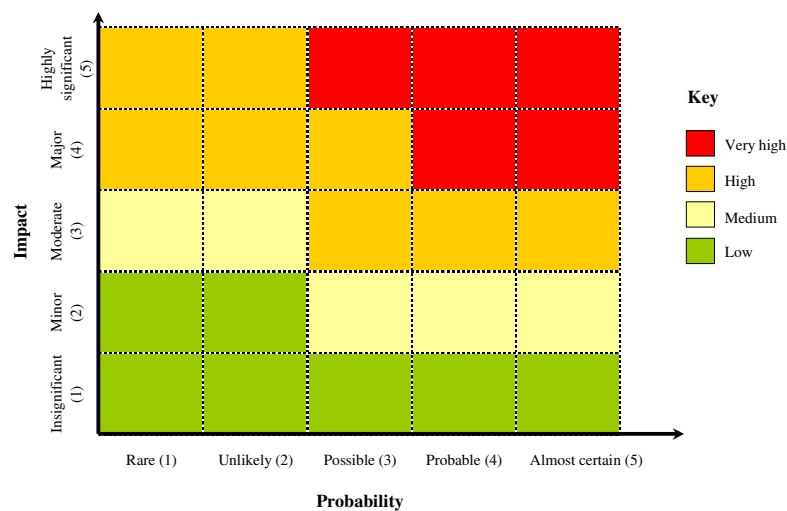


Fig. 3

Risks should be treated in accordance with the Council’s ‘risk appetite’, i.e the level of risk the Project Board deems to be acceptable. While all risks should be judged on their own merit, managers also have the responsibility to manage their risks as they see fit. Nevertheless, good practice suggests that any risk classified as ‘very high’ (RED) should be deemed to require immediate management attention with the aim of treating it, either to reduce the level of threat or maximise the opportunity.

Treatment

The primary methods for managing risk are:

- **Reduction** involves action to control the risk in some way where mitigation actions either reduce the likelihood of the risk developing or limit the impact on the project. One action may be to eliminate the risk by doing things differently and thus removing the risk. Countermeasures can be put in place that either stop the threat or problem from occurring or reducing the impact on the project or business.
- **Transfer** involves transferring the risk to a third party. However, if the management of a risk is assigned to the contractor, they may increase their bid to cover their exposure to this risk. As a consequence, the Council must carefully consider which risks it intends to manage and which risks it will expect the contractor to manage. Although 'Risk Transfer' is common practice in many projects, the Council must still continue to manage the risk. For every risk Leeds City Council transfers to the contractor, there is a risk that the contractor will not succeed in managing that risk.
- **Avoidance** is an informed decision to not become involved in activities that lead to the possibility of the risk being realised.
- **Contingencies** are actions planned and organised to come into force as and when a risk occurs.
- **Acceptance** results in simply tolerating the risk. It will not be possible to remove some risks entirely. Where risks cannot be transferred, reduced or avoided / eliminated, the simplest control is to ensure they are regularly reviewed and monitored. However, this should be the final option after all other options have been explored unless the impact is so slight the cost of control determines that acceptance is the most appropriate 'treatment'.
- **Opportunity Exploitation** is an action designed to increase either the probability or the beneficial impact of an opportunity.

Risk management may involve one or several of the approaches detailed above.

Agreement

Once actions have been agreed to best manage the risks, these actions should be assigned to an individual owner. This is known as the Action Owner and should not be confused with the Risk Owner, who is the person ultimately accountable if the risk materialises.

Reporting

An escalation route for identified risks should be communicated to, and be understood by, all relevant stakeholders. A review of the Risk Register (as a minimum, the RED risks) should be a standard item on the Project Board meeting agenda.

Monitoring and Review

As the risk management process continues throughout the project lifecycle, a number of issues need to be addressed:

- The Risk Register needs to be maintained and updated
- When new risks are identified, an owner and key contact for each risk should be identified
- Potential sources for, and consequences of all new risks should be logged
- The management of each risk and its status must be recorded and the adequacy of the existing controls rated as poor, fair, good or excellent.
- For any risks that are accepted, the justification for taking no further action must be recorded.

To complete the project lifecycle, feedback should be encouraged from all those involved in the delivery of the project about how well risks were managed, and how this could be improved. This information can be used to improve risk management performance in future projects and it should normally be part of the **Lessons Learned Report** in the Post-Project review.

Project Issues

Project issues are distinct from project risks. A project issue is in the present, i.e. something that is happening that can have an effect on the project (either detrimental or beneficial). Project issues may arise at any time during the project and / or be raised by anyone with an interest in the project or its outcome.

Although usually a project issue will occur as the result of an identifiable risk (threat or opportunity) or as a result of a separate occurrence, a project issue may create a new risk. For example, a proposed change to the scope of the project may produce a risk of pushing the current stage or project beyond its tolerance margins. Project issues can include:

- A request made to change the scope / client requirements.
- A change in the environment applicable to the project e.g. a change in central government policy.
- An anticipated but unavoidable risk such as inflation.
- Late delivery of a project work package / key stage.
- New project system reduces the completion of a key stage by two months (opportunity).

These project issues should be documented within the **Issues Log** in the **Appendix**.

RESOURCE MANAGEMENT

Finance

It is the responsibility of the Project Manager to manage the expenditure and income of the project lifecycle and to ensure compliance with Financial Procedure Rules (FPRs).

The majority of Project Managers are not accountants and may need to bring the specialist techniques of professional finance managers to the project. Project Managers may need assistance from their departmental finance officers at specific stages of the project or, for major projects, a dedicated finance manager may be required.

At the Project Initiation stage, the Business Case will set out estimates of the project's total cost, sources of funding and financial benefits arising from the project. Cost estimates should be prepared over the life of the project and classified as either capital or revenue. Capital projects should also include any impact on service delivery or revenue costs. The Business Case will also identify the financial benefits to be realised from the project, which may be in the form of increased productivity, increased revenues or efficiency savings. The Business Case should include a full options appraisal, identifying the costs and benefits of each option in accordance with appropriate risk analysis and the selection of the preferred option.

Funding for a project may come from a variety of sources. It is the responsibility of the Project Manager, in conjunction with the Project Executive, to ensure that all necessary capital and revenue budget funding approvals are in place prior to the commencement of the project.

The Project Manager will be responsible for monitoring the actual costs, funding and financial benefits of the project against the project budget. The Project Manager is required to provide a financial update at each project board meeting, or to the Project Executive on at least a quarterly basis. This financial update should include:

- a statement of actual costs versus budget to date
- a revised statement of projected cost versus projected budget over the life of the project

- recommendations for any action required to correct budget variations in line with Financial Procedure Rules.

After project closure, the Project Manager will be required to prepare a statement of final costs and funding for the project, including a review of the financial benefits arising from the project. This will allow the overall financial success of the project to be measured.

Procurement

It is the responsibility of the Project Manager to ensure that any procurement activities are carried out efficiently and effectively and in compliance with the Council's Contracts Procedure Rules (CPRs).

The majority of Project Managers are not procurement officers and would need to bring the specialist techniques and knowledge of professional procurement managers to the project. Project Managers may need assistance from procurement officers at specific stages of the project or, for major projects, a dedicated procurement officer may be required.

During Project Initiation, the specification and procurement strategy will have been determined. The options appraisal will have considered the market development and capacity to respond. The Business Case will also identify the benefits to be realised from the project, which may be in the form of service delivery changes or cost adjustments.

The Project Manager will be responsible for managing the procurement timetable as set out by the Procurement Manager and ensuring that the following checkpoints have been appropriately completed:

- Specification available when seeking expressions of interest
- Tender Shortlist agreed with audit trail
- Tender documents fully completed and approval, e.g. planning / building regulations received prior to invitation-to-tender

- Tender evaluation and contract award conducted in an open and transparent manner
- Contractor performance report

The Project Manager is required to request a procurement update from the procurement manager at each project board meeting, or to the Project Executive on at least a quarterly basis. This procurement update should include:

- a position statement within the timetable
- revisions made to the timetable and process
- recommendations for any action required to maintain the original timetable
- any lessons learned from this procurement exercise.

After Contract Award, the Project Manager will be required to prepare a statement of the procurement process particularly identifying risks that occurred and the mitigation action taken.

At Project Closure, the Project Manager will be required to review the whole procurement process and, if necessary, make recommendations for improvements.

At any time during the project lifecycle, the Project Manager can be required to attend, report and present to a Scrutiny Board on request.

Personnel

The Project Manager's prime responsibility is ensuring that the project delivers its products at the right time, to the agreed standards and within budget. To achieve this, they will usually need support from other people.

Project management identifies 'roles' rather than 'personnel' and it is common for those working in a project team to undertake more than one role during the project lifecycle.

The skills, knowledge, experience and competencies that will be required to deliver a project should be identified during Project Start-up. If the relevant skills are not readily available within the proposed project team, the Project Manager will need to compare the time and costs of recruitment, secondment and training when estimating the overall time and cost that it will take to deliver the project.

Training may also be necessary for a Project Board: members need to have a clear understanding and acceptance of their responsibilities, and this is particularly important when a Board includes external partners and stakeholders. The ‘Self-assessment Checklist for Project Boards’ provided in the **Appendix** is a useful starting point to identify any gaps in knowledge and/or experience, and can help to generate a common understanding of the way that the project will be governed.

Communication - whether written, verbal or electronic - is a crucial element in all projects:

- between the Project Board and the Project Manager
- between the Project Manager and the project team
- between the Project Manager and the stakeholders
- between the Project Board and the key stakeholders

The project’s Communication Plan will identify all those who need to be kept informed about the project.

BENEFITS REALISATION

‘Benefits’ are the main reason that any organisation undertakes a project and, for a project to be worth the time, cost, resource and effort, the benefit must be demonstrably achievable and realisable.

Benefits are not always easy to define in the context of a public sector organisation: local authorities do not usually focus on increasing revenues and their benefits relate either to improved service delivery or creating efficiencies and improvements that will make the Council a better organisation and demonstrate its commitment to continuous improvement.

In some cases, the benefit of a change will be to conform to legislative requirements, or to meet targets and priorities set by central government, especially if non-compliance would result in punitive financial or legal consequences.

Benefits come in two main types:

- ‘hard’ - measurable benefits
- ‘soft’ - less tangible benefits

‘Hard’ benefits can be measured: they provide a ‘before and after’ picture that will indicate an increase in revenues, productivity, accuracy or speed of service. They can also produce evidence of demonstrable savings and efficiencies facilitated by the change the project has introduced.

Compliance can also be easily measured: has the project achieved its objectives by the deadline given?

The recognition of these benefits relies on the relevant data being available to provide the ‘before’ picture, i.e. the pre-change baseline against which the post-change results can be benchmarked. The Project Manager needs to confirm the availability of this data during the initiation stage of the project and if the information does not exist, consideration should be given to the implications of collecting and recording it.

'Soft' benefits are those that cannot necessarily be quantified and collated: intangible benefits that may be linked to emotional responses or perception rather than measurable data. If a project introduces a change that improves staff morale, or customer satisfaction, or generates favourable publicity and enhances the Council's reputation, it may be difficult to accurately gauge the extent of the benefit, despite the various means of recording such information.

Some benefits take time to accrue and will only be fully realised after the project has closed and the PM and Project Team have moved on. In this situation, it is important that each benefit has an owner within the business, and that this person provides an input about the way that the benefit will be tracked and measured. Post-project benefit owners and reporting mechanisms should be recorded in the Post-Project Review Plan.

Benefits Realisation is an essential and effective way to measure the performance of a project: if a project is unable to demonstrate any benefits, its lifecycle may be cut short in order to divert resources and money into more relevant, valuable work.

CONCLUSION

The Leeds City Council approach to project management has been developed by the 'Delivering Successful Change' project to help officers manage projects efficiently and effectively. It is based on the need to gain a thorough understanding of a project BEFORE committing substantial resources to it.

The methodology provides a set of best practice principles, and offers practical support by providing a set of project document templates with guidance. It describes the basic processes and procedures to be followed throughout the lifecycle of a project using standard document templates and processes, and describes techniques that will assist officers working on projects of varying complexity. The intention is to embed good practice throughout the Council and provide the necessary tools to support the delivery of corporate objectives and priorities on time, within budget and to the required standard. Following the corporate methodology will ensure that risks and resources are identified and managed appropriately, and enables a project's objectives to be monitored and evaluated throughout its life cycle.

The methodology can be applied to all types and sizes of projects and should be used by any officer who has an identified responsibility for delivering projects - as the project manager or as a member of a Project Board or Project Team.

Training courses are being scoped to support this methodology and give the Council the opportunity to develop expertise in project management, and focus upon ensuring the delivery of its strategic objectives.

It is intended that this methodology will continue to evolve in response to the Council's requirements and feedback from officers. This handbook, with supporting document templates and guidance will be published and maintained on the council's intranet in the **'Corporate project management – DSC'** interest area.

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