**WARDS AFFECTED**
**All**

Leicester
City Council

**FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:**
**Audit & Risk Committee**                                        **24$^{th}$ October 2013**

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### Leicester City Council Project Assurance Process

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**Report of the Director of Delivery, Communications & Political Governance**

### 1.      Purpose of Report

1.1.    To make the Audit and Risk Committee aware of the Council's newly revised Project Assurance process.

### 2.      Recommendations

2.1.    The Committee is asked to note this report, and its relevance in the context of their role in corporate governance and assurance.

### 3.      Summary

3.1.    Project assurance is the process used by the Council to assess how effectively its medium and major projects are being managed in line with industry standard project management best practice. The process was reviewed earlier this year, and the revised approach is described in this report.

### 4.      Report

4.1     Project assurance forms part of the wider framework of mechanisms for ensuring the effective corporate governance of the Council. It assesses how effectively the Council's medium and major projects are being managed in line with industry standard project management best practice. A project assurance process has been in place at the Council since 2009, but since then a more comprehensive approach to project management has been embedded within the organisation. To ensure that it remains rigorous enough to reflect this change, the assurance process was reviewed earlier this year. The process described in this report sets out the revised approach that has been in place since July 2013. All project assurance reviews and related administration is undertaken by the Council's Corporate Portfolio Management Office (CPMO).

4.2     Purpose of project assurance:

- To give reassurance to senior management that the Council's medium and major projects are being managed effectively and in line with established best practice.
- To ensure that any issues with projects are escalated as appropriate and action plans put in place.
- To develop project management capability across the Council by identifying general areas for improvement, and targeting training modules to develop project manager's skills in those areas. In the past the CPMO have identified the need for, and delivered training in areas such as project governance, planning and scheduling, and stakeholder management.

4.3     There are two types of project assurance; in depth reviews and light touch health checks. Both are undertaken by the CPMO. Reviews are undertaken on a rolling six monthly programme made up of three in depth reviews and six light touch health checks. Projects are selected for review or health check from the Council's Corporate Project Register.

4.4     The criteria taken into account for selection for a review or health check are the financial value of the project, its level of risk to the Council, its level of profile or sensitivity, and any ongoing issues that the CPMO is aware of. Directors can request a review or health check if they want reassurance that a particular project is being managed effectively. The selection process is carried out in conjunction with Internal Audit and Risk Management.

4.5     The two types of project assurance review:

'In Depth' Project Assurance Review

- Assesses projects against a variety of best practice criteria, in disciplines such as risk management, financial management, and project governance.
- Obtains the views and perspectives of several members of the project team on project management effectiveness. In addition to the Project Manager, interviews are conducted with the Project Director and other project team members.
- The results of each review are summarised in a report and shared with the Project Manager and Project Director. This includes an action plan to correct any significant gaps in compliance.
- The CPMO review action plan progress after three months. If there is insufficient or no action then it is escalated to the Project Director.

'Light Touch' Project Assurance Health Check

- Assess projects against a best practice check list, but is less challenging and probing than a full in depth review.
- Based on an assessment of project documentation and a one-to-one interview with the Project Manager.

- Results and recommended actions are shared with the Project Manager and Project Director. Any significant actions are chased up after three months.

4.6    The results of all in depth reviews are reported upwards in the following ways:

- Annual CPMO Report to Strategic Management Board (SMB):
A performance measure is included for the results of in depth reviews. This shows a summary of annual results, areas for improvement at a corporate level, and the actions being taken to address them.

- Departmental Quarterly Reports:
The outcome of in depth reviews is included in quarterly CPMO reports to Divisional Management Teams as and when they are completed.  These reports highlight headline findings, issues, and actions required for each review undertaken.


## 5.    **FINANCIAL, LEGAL AND OTHER IMPLICATIONS**

### 5.1.    **Financial Implications:**

A robust project assurance process is an essential component of effective corporate governance, which is intended to help ensure that the Council operates efficiently, cost effectively and with integrity.  Such arrangements will support the processes of internal control that will help the Council as it faces the financially challenging times ahead.

### 5.2.    **Legal Implications:**

No direct legal implications.

### 5.3.    **Climate Change Implications:**

This report does not contain any significant climate change implications and therefore should not have a detrimental effect on the Council's climate change targets.

## 6.    **Other Implications**

| OTHER IMPLICATIONS | YES/NO | Paragraph/References Within the Report |
|---|---|---|
| Equal Opportunities | No | |
| Policy | No | |
| Sustainable and Environmental | No | |
| Crime and Disorder | No | |
| Human Rights Act | No | |
| Elderly/People on Low Income | No | |
| Corporate Parenting | No | |
| Health Inequalities Impact | No | |
| Risk Management | Yes | The whole report concerns project assurance, which is a significant part of the governance |

| | | process.  A main purpose of this process is to give assurance to Directors and this Committee that project-related risks are being properly identified and managed by the business. |
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**7.    Background Papers – Local Government Act 1972**

7.1.    Files held in the CPMO office

**8.    Consultations**

8.1.    Tony Edeson - Head of Internal Audit & Risk Management

Steve Jones - Audit Manager

Kamal Adatia - City Barrister & Head of Standards

**9.    Report Author**

9.1.    Jez Braithwaite - Standards & Assurance Lead, Corporate Portfolio Management Office