Appendix 2

CHORD PROGRAMME

Programme Governance and Management Plan   Ver 3

1   INTRODUCTION

This document sets out programme governance and management arrangements to ensure that the CHORD programme of projects which will give effect to the decisions taken by the Council on 27 November 2008 and by the Executive on 18 December 2008, which provide the basis in principle for committing £30m of capital expenditure to significant public realm works in communities throughout Argyll and Bute, is taken forward on a basis which is planned, transparent and accountable. The process will enable Members, officers, stakeholders, communities and key partner organisations to take forward the programme in a way which is compatible with these principles.

Capital and revenue resources are available and the process outlined here will develop financial information which will be required by the Council to take subsequent decisions to enable the decisions of 27 November to be given effect.

There will be legal, regulatory, risk management, design, procurement and sustainability aspects associated with taking forward an extensive and complex programme; the process outlined will enable these to be identified.

2   COUNCIL DECISIONS

These decisions are –

2.1 **Council: 27 November 2008**

The Council:-

1.   Noted the Outline Business Cases and associated papers, and the report from RPS.

2.   Agreed that a 5th year (2013/14) be added to the capital programme and an amount of £2.5m be allocated to Town Centre and Waterfront Projects.

3.   Increased the budget for loans charges by £100k per year incrementally for each of the next 5 years thereby providing funding for a further £7m of capital expenditure to be allocated to Town Centre and Waterfront Projects.

4.   Agreed that the £10m in the capital programme over the years 2009/10 – 20012/13 plus the block allocation of £2.5m plus the additional £7m be allocated as follows:-

£2.4m in respect of the Rothesay OBC proposals.

£6.5m in respect of the Campbeltown OBC proposals.

£6.66m in respect of the two main Helensburgh OBC proposals.

£0.9m in respect of development within Oban Bay or Harbour and that £6m be allocated within the roads unallocated block in the capital programme from 2012 for Oban Development Road as part of the OBC proposals.

£3m to augment the current £5.3m commitment in the capital programme for Dunoon Pier.

5. Agreed that any capital receipt from the disposal of a capital asset within any project will be allocated to the project, as identified in any final business case.

6. Requested a further report, to be submitted to the Executive, setting out the structure, process, resources, profiling and timescales to take the agreed projects through to Full Business Case and, thereafter, to delivery.

7. Recognised that the emerging revised Corporate Plan should reflect the priorities determined by the Council in the light of the development of the Outline Business Cases for the town centre/waterfront developments.

2.2 **Executive: 18 December 2008**

The Executive endorsed a process for taking forward the CHORD programme –

1 A Programme Board will be established to manage the overall programme. This Board will comprise the Leader and Depute Leader of the Council, Chief Executive, Directors of Corporate Services and Development Services and Head of Strategic Finance.

2 The Board will manage the overall process by setting down the detailed framework and programme plan for development of FBCs, and monitor progress to ensure a consistent and robust process.

3 The Board's role is to manage the programme, not to make decisions on the allocation of capital spend, which will be reserved to the Executive.

4 Five Project Boards, one for each individual town will remain in place. They will be responsible for developing each project through to FBC stage.

5 A Project Initiation Document (PID) which will include a Project Plan will be prepared and signed off by each Board. This will generally involve the establishment of a project team for each project. The PID will require each

Project Board to map out how they intend to develop the project in terms of activities and actions required and the resources, timescales, responsibilities and risks associated with these.

6   The template for the PIDs will be developed by the Programme Board. Whilst many of the PID components will have been addressed at the Outline Business Case stage, they require to be refined in terms of developing a FBC. The projects vary considerably in their complexity and some will require more extensive lead-in work whereas others will be less complex. All of this should be covered in the PID.

7   The Programme Board will develop a programme plan to help manage resources, profiling and timescales. The PIDs, including a project plan, will be considered by the Programme Board and these will form the basis for monitoring development of individual project FBCs and also the overall programme.

8   Once the PIDs, including Project Plans, have been considered by the Programme Board they will be submitted to the Executive for noting and for approval for the projects to be taken to the FBC stage. The issues identified in the PID and Project Plan in terms of design, costs, consultation, consents and construction procurement will have been identified and the project will be ready for a final decision to proceed to FBC.

9   There will also be a role for the Programme Board to liaise with partner organisations in terms of ensuring engagement in the programme.

10   Each Project Board will develop a PID for each Project, which will include setting out the resource requirements to take the Project through to FBC stage. These will be considered by the Programme Board in order to ensure the Executive can allocate the resources which will be required to take forward the development of the FBCs.

2.3   Recognising the complexity of delivering all the elements of a £30m programme expeditiously the following governance arrangements will be used to give effect to the Council's decisions:

1   Programme Management methodology for the FBC and design into implementation phases will be managed by the Programme Management Board supported by a Programme Manager, based around the OGC Managing Successful Programmes methodology

http://www.ogc.gov.uk/guidance_managing_successful_projects.asp

2   Project Management methodology will be based largely around PRINCE2

methodology; each project will be developed by a Project Board which will be supported by a Project Manager (and team as necessary).

4   ROLES

4.1 Programme Level

The Programme Management Board comprises the Leader and Depute Leader of the Council, Chief Executive, Directors of Corporate Services and Development Services and Head of Strategic Finance.

For the overall Programme, there are a further two discrete roles:
- Programme Manager
- Programme Support Office (provided by the programme manager)

4.2 Project Level

The following roles have been identified in respect of each Project:

1   Board

2   Board Member (core and non-core)

3   Senior Responsible Officer

4   Project Manager

5   Project Team Member (may be core/non-core, may be internal/external) inc Subject Matter Experts (SMEs)

Prince2 provides a structure for project management that supports:

- Roles for decision makers
- Management by exception for the decision makers
- Full or part-time project management
- Controlled delegation of some day-to-day management responsibilities
- Roles for the independent inspection of all aspects of project performance
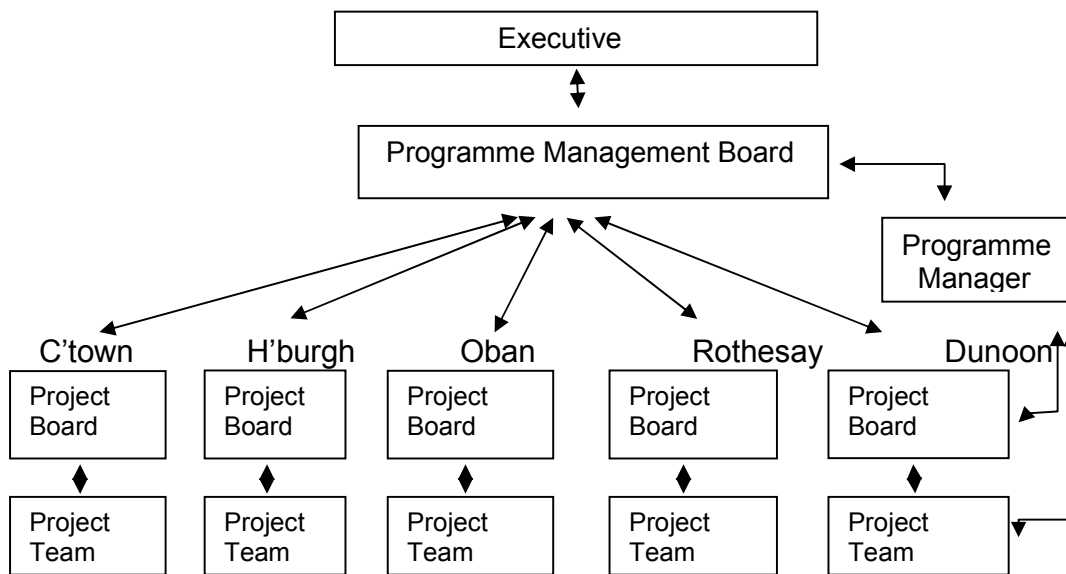- Lines of communication

Prince2 project management structure consists of roles and responsibilities that bring together the various interests and skills involved in, and required by, the project. For the project to be successful, these roles are defined at the outset.

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The project management structure is the structure specifically designed to manage the project to its successful conclusion to meet the requirements defined in the Project Brief. The structure allows for channels of communication to decision-making forums and is backed up by job descriptions that specify the responsibilities, goals, limits of authority, relationships, skills, knowledge and experience required for all roles in the project organisation. Appendix 1 sets out the function, duties and expected involvement for each role.

5   GOVERNANCE STRUCTURE

The governance structure is as follows:

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                        ┌─────────────────────┐
                        │      Executive      │
                        └─────────────────────┘
                                   ↕
                   ┌──────────────────────────────┐        ┌──────────────┐
                   │  Programme Management Board   │←───┐   │  Programme   │
                   └──────────────────────────────┘    └──→│   Manager    │
                                                            └──────────────┘

   C'town          H'burgh         Oban          Rothesay         Dunoon
 ┌─────────┐    ┌─────────┐    ┌─────────┐    ┌─────────┐    ┌─────────┐
 │ Project │    │ Project │    │ Project │    │ Project │    │ Project │
 │ Board   │    │ Board   │    │ Board   │    │ Board   │    │ Board   │
 └─────────┘    └─────────┘    └─────────┘    └─────────┘    └─────────┘
      ↕              ↕              ↕              ↕              ↕
 ┌─────────┐    ┌─────────┐    ┌─────────┐    ┌─────────┐    ┌─────────┐
 │ Project │    │ Project │    │ Project │    │ Project │    │ Project │
 │ Team    │    │ Team    │    │ Team    │    │ Team    │    │ Team    │
 └─────────┘    └─────────┘    └─────────┘    └─────────┘    └─────────┘
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6   PROJECT MANAGEMENT ACTIVITIES

6.1   Each project is to deliver the defined outcome, subject to a Full Business Case (FBC), contained in the Outline Business cases which the Council approved on 27 November 2008. The FBC is the 1st deliverable. There are two preliminary deliverables –

- a completed PID for each project which will define the outcome (template at Appendix 2)
- a project plan to provide to the Programme Board information on the resources (internal and external) required to develop the FBC, in order that the Executive can allocate money from the £400k which the Council has assigned for this purpose.

6.2   There may be intervening deliverables. Each project should be taken forward on a basis which has regard to complexity, state of readiness and other internal or external factors that may have a bearing on timescale.

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The following mechanisms will be put in place to assist with the project management activities:

1   Regular meetings of Project Managers with the overall Programme Manager. The Programme Manager will determine whether these are best carried out on a one-to-one basis or whether a number or all of the Project Managers need to meet together. Risk management and project planning will form the core of these planning and progress meetings.

2   The Programme Manager and the Project Managers will maintain a central records system, which will contain all project development records to provide an audit trail to support each deliverable stage through to implementation. This will include, amongst other things, for risks and deviations from Plan to be flagged up to the Programme Management Board.

3   Project Board meetings should be held in accordance with the Project Plan which will be derived from the PID. Individual Project Boards should ideally meet at least 10 days prior to any Programme Board and provide a written Project update report to the Programme Board highlighting progress made versus plan, any changed risks and issues or deviations from Plan. The first main task for each Project Board is to sign off the Project Initiation Documents and Project Plans for their projects to be submitted to the Programme Board. This will include providing information on external consultants that a Project Board would intend to engage to progress the FBC.

4   Project teams will meet according to timetables agreed following consultation with the Programme Manager. The project team will comprise those professionals inside or outside the Council who are required to develop the project. These may be core or non-core and may be internal or external and may change during the progress of delivering the project. Membership of project teams may overlap or may vary for each project within a town, and between/amongst towns.

5   All Programme Board and Project Board papers and minutes will be held in the central programme records archive.

     Project Boards and Programme Management Board meetings will normally be open to the public, who may be excluded in the circumstances that would enable the Council to exclude the public from a meeting of the Council. Notwithstanding that the public may be excluded from a meeting, other Councillors may remain, and other persons who are present to advise the Board at the discretion of the Councillor Members of a Board (for part or all of the meeting when the public are excluded).

7 PROGRAMME MANAGEMENT ACTIVITIES

The Programme Management Board will -

1 provide an overarching management process to co-ordinate and facilitate the provision of information to enable the Executive to take the relevant decisions to approve Full Business cases and commit the funding resource which the Council allocated on 27 November. No funding will be committed to any project except on the basis that the Executive has taken such a decision following consideration of a Full Business Case and in so doing will ensure that the relevant provision is prioritised in the Council's capital programme.

2 will be responsible for all aspects of the management and co-ordination of the programme and will provide information and advice to Project Boards to ensure the effective management of the programme

3 while it is primarily the role of project boards to work with funding and other partners to deliver the projects, the Programme Management Board will seek to ensure the effective engagement of funding and other partners in the programme.

8 PROJECT INITIATION DOCUMENTS

The 1st deliverable is to develop a Full Business Case for each of the projects developed to OBC stage and for which the Council agreed in principle to allocate funding on 27 November 2008. The PID is a key document which includes the scope of the work to develop the FBC. The creation of the PID will be the first preliminary task for each Project Board based on the template at Appendix 2. The PID will include –

1 Introduction: Purpose/Background
2 Project Definition: Aims and objectives, Project Scope, Approach, Deliverables,
   Exclusions, Constraints, Project success criteria, Relationships to other projects,
   Assumptions/Prerequisites
3 Outline Business Case
4 Key Stakeholders
5 Budget
6 Project Organisation Structure
7 Communications Plan
8 Quality Plan: Quality expectations, criteria, methods, Project Assurance
9 End Project reports
10 Resources required and Project Plan to deliver the FBC
11 Project Controls: Change control, Exception process and tolerances,

        management of
        risks and issues
12   Acceptance Criteria
13   Initial Risk Log

Project Plan

The Initial Project Plan will provide the Programme Board with the information on resources (internal and external) required to develop the Full Business Case. The plan should clearly articulate all the financial resource and HR input required to develop the FBC and also identify the skills and professional expertise required to deliver the FBC. The plan will also state the key milestones and dates in the development and delivery of the FBC.

In addition to identifying the resources, milestones and dates for delivering the FBC, the Project Manager should also identify in the initial project plan the anticipated high level products of the project, estimated delivery dates and estimated costs. These will be revised once the FBC is taken forward. However, it will be useful to provide such indicative information at this juncture in order to identify the potential scale and timing of the final project.

Benefits Realisation and Tracking Techniques will be used throughout the project and Project Boards will utilise Recognition Events Techniques to define the outcomes.

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Programme Board	The Programme Board comprises the Leader and Deputy Leader of the Council, Chief Executive, Director of Corporate Services, Director of Development Services and Head of Strategic Finance The Board will be chaired by the Leader, in whose absence the Deputy Leader.
	The Board will undertake the Programme Management activities outlined in these Programme Management Arrangements and such other things as are necessary or desirable to facilitate the good management of the Programme.
	The Director of Corporate Services will ensure the necessary arrangements for Programme Board meetings are made.
Programme SRO	The Programme SRO will be the Head of Economic Development and Strategic Transportation and will ultimately be responsible for the delivery of the Programme and the Projects within it.
	The Programme SRO should perform the following higher level functions:

- appointment and management of Programme Manager and development of programme organisational structure as required
- ensure that the programme meets its objectives and delivers projected benefits
- ensure review of programme at appropriate stages
- ensure direction and monitoring of programme processes
- assist and support the Programme Board and Executive as appropriate

Programme Manager	The Programme Manager will be appointed by the Head of Economic Development and Strategic Transportation and will be responsible to that person.
	The Programme Manager will undertake all the programme management arrangements set out in this document to ensure the coordinated organisation, direction and implementation of the dossier of projects and related activities (i.e. the programme) to achieve the outcomes and realise the benefits of the Council's decision taken on 27 November 2008.
	The Programme Manager will deliver the Programme, within the constraints laid down by the Programme Board and/or the Executive. The Programme Manager will lead and manage the Core Programme Team, which will include the Project Managers.

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The Programme Manager's key responsibility is to ensure that the Projects deliver the right outputs, to the required level of quality and within the specified constraints.

Duties for the Programme Manager will include –

- Holding regular meetings with Project Managers
- Ensuring good progress is maintained across overall Programme
- working with individual Project Managers to ensure any potential delays within their Projects are being appropriately managed
- Building, managing and motivating the Core Programme Team
- Building and maintaining effective working relationships with the Programme and Project Boards
- Ensuring consistency in quality and timeliness of the preparation and maintenance of standard project deliverables, including PID, Project Plan and Full Business Case for each Project
- Responsible for the maintenance of the Programme Risk Register and Programme Issues Log
- Managing and controlling changes to scope, requirements, personnel, contract management etc
- Preparing and presenting Programme reports and plans to the Programme Board including highlighting progress made versus plan, any changed risks and issues, conflicts and progress
- Ensuring progress reports from individual Project Boards are available for the overall Programme Board
- Ensuring Programme Support Office provides effective support to the overall Programme and to individual Project Teams

Project Board   The Project Board will comprise –

Core Members

1   The local Councillors who are appointed by relevant the Area Committee.

2   The Council's relevant Link Director

Non – Core Members

3   Representatives of other community stakeholders to be determined by the Project Board, but no-one will be a member of

a Project Board if they have any direct or indirect interest (financial or otherwise) either in their own right or as a representative of any organisation which has an interest in the outcome of project.

Executive decisions on any matter will be taken by the core members of the Board.

The Project Board is responsible to the overall Programme Board (and ultimately the Executive) for the overall direction and management of their project and has responsibility and authority for the project within the remit set by the Executive/ Programme Board. The Project Board approves all major plans and authorises any major deviation from agreed Stage Plans. The Project Board signs off the completion of each stage as well as authorising the start of the next stage. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the project and external bodies.

The Project Board is responsible for assurance that the project remains on course to deliver products of the required quality to meet the Business Case defined in the Project Initiation Document. The Project Board is the project's 'voice' to the outside world and is responsible for dissemination of information about the project.

Board Member Duties of Project Board Member include –

Attendance at project board meetings
Agreement of PID and ongoing update of project plan
Acceptance of all project products
Agreement of milestone deviations
Review of deviations

Board Chair The Board chair will be one of the Councillor members, appointed by the Board. Duties of Board Chair include –

Chairing Board meetings
Ensure Project Board meets its remit
Internal and external promotion of project
Liaison with Project Manager and Link Director

Project SRO The Project SRO is ultimately responsible for the project, supported by the Project Manager. The SRO's role (working through the Project Manager) is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering a product that will achieve the projected benefits. The SRO has to ensure that the project gives value for money, ensuring a cost-conscious approach to

the project. The SRO and Project Manager will build, manage and motivate the Project Team

Throughout the project, the SRO 'owns' the Business Case.

The SRO is responsible for the following key aspects of the project:

Development and continuation of the project Business Case
Overseeing the development of a viable Full Business Case is part of establishing a firm basis for the project during its initiation and definition. The SRO should be responsible for securing the necessary investment for the business change. The SRO has the responsibility throughout the project to ensure that the project will be achieved.

Project organisation structure and plans
The SRO ensures that there is a coherent organisation structure and logical plan(s). This will involve being actively engaged with the work of
project initiation. The SRO will also play a strategic role in facilitating the interface between SME consultants, and Council staff, ensuring the overall project timeline is maintained, ensuring the project team is properly resourced and regular liaison with Project Manager

Monitoring and control of progress
Monitoring and controlling the progress of the project at a strategic level (at an operational level this is the responsibility of the
Project Manager).

Problem referral
Referring serious problems which might impact on deliverables, budget, timescales or other significant issue related to a project in a timely manner to the Project Board and, as necessary, to the Programme Board. The SRO is responsible for ensuring the communication processes are effective and linkages are maintained between the project and the programme's strategic direction.

Project implementation
Ensuring that the implementation phase is planned, resourced and delivered according to the Full Business Case assumptions, and the related detailed implementation plan.

Formal closure
Formally closing the project. Ensuring that the post-project review takes place at the end of implementation, whose purpose is to find out if the benefits, as stated in the Full Business Case, have been realised. The SRO is responsible for commissioning these reviews

and ensuring the output is reported to the Project Board and in turn the Programme Board.

Project Manager

The Project Manager for each project will be appointed by the Programme Manager. The Project Manager will run their specific project on a day-to-day basis on behalf of their Senior Responsible Officer within the constraints laid down by the Project or Programme Boards.

The Project Manager's prime responsibility is to ensure that their project produces the required products, to the required standard of quality and within the specified constraints of time and cost.

The Project Manager is also responsible for the project producing a result that is capable of achieving the benefits defined in the Full Business Case. The Project Manager will be responsible for monitoring progress, controlling the budget, ensuring the necessary resources are secured to deliver the project and will act as the primary point in the council for that project. The same person may be project manager for more than one project.

The Project Manager will have other responsibilities in delivering the project successfully. These include:

- Project management and chairing Project Team meetings
- Production of PID
- Production and update of project plan
- Management of risk register and issues log
- Change control
- Identifying the appropriate contacts and information sources in the Council
- Appropriately resourcing the project team
- Maintaining regular contact with SRO
- Preparation of reports for Project Board meeting
- Log potential conflicts and assist their resolution
- Participating actively in shaping the deliverables
- Briefing contacts about the project
- Responding to questions on topics that need elaboration

Project Team Member

The Project Team Member will be responsible for provision of specialised knowledge as required, contributing to the production and assurance of all project products. Project Team members may be core or non-core and may be internal or external to the Council.

Duties –

- Participating in business analysis and review
- Contributing to future design

- Attending team meetings
- Undertaking agreed project activities as defined by Project Manager

The relevant Area Corporate Services Manager, who will be a member of the project team, will be responsible for all of the arrangements for Project Board meetings and will facilitate the good conduct of the Board's business.

Indicative CHORD programme & project responsibilities

These are shown at appendix 1for the purposes of delivering Full Business Cases.