

Report to: Executive Board- Monday 2<sup>nd</sup> December 2002

**IMPROVING THE DELIVERY OF CORPORATE PROJECTS**

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| <b>Report of:</b>                                      | <b>Strategic Director</b><br>Portfolio of the<br>Physical Environment                       | <b>WARDS AFFECTED</b><br><br><b>ALL</b> |
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| <b>Lead Member Responsible:</b>                        | Leader of the Council   |   |
| <b>Overview and Scrutiny Committee Responsibility:</b> | Finance and Performance   |   |
| <b>Key Decision:</b>                                   | No  |   |

**SUMMARY AND RECOMMENDATIONS**

In order to improve the delivery of corporate projects, it is proposed to utilise strong project management techniques and develop a "pool" of expertise by forming a Corporate Projects Group. It is anticipated that in this way, quicker and more effective outcomes on the ground can be achieved.

This paper includes a list of priority corporate projects. Each project on the list should be the report to Executive Board by the end of this financial year.

The Executive Board is ASKED to note the contents of the report.

## **BACKGROUND**

Recent years have shown that within Oxford City Council, project management techniques have not been widely used which has led to risks in the effective management of projects. An example that demonstrates this is the continual slippage on delivery of the capital programme. Details of the current position on the capital programme is included elsewhere on the Executive Board Agenda.

Since 2001, further pressure to introduce project management into the culture of the organisation has been given by the Chief Executive, Overview and Scrutiny and the current Administration.

By introducing rigorous project management techniques to key corporate projects, the aim is to improve the Council's track record of delivery.

## **PROJECT MANAGEMENT APPROACH**

The formal skills and techniques of project management maximise the chance of "discrete" projects being successful in terms of cost, time and quality. The skills are very different from service or operational management. This is illustrated in the chart below.

| <b>Project Management</b>                        | <b>Service/Operation Management</b>   |
|--|---------------------------------------|
| Programming                                      | Resource allocation                   |
| Critical Path Analysis                           | Balancing proactive and reactive work |
| Project Planning                                 | Business Planning                     |
| Risk analysis and Management                     | Operational risk                      |
| Coordination                                     | Specialisation                        |
| Negotiation                                      | Procedures                            |
| Procurement and Contracts                        | Facing the public                     |
| Anticipation, trouble shooting, progress chasing | Managing a team under line management |
| Managing project costs and variations            | Monitoring revenue spend              |
| Partnership working                              | Client officer for contract           |

## **PROJECTS LIST FOR 2002/4**

The following list comprises of a number of key corporate projects. All of them will be subject to project management disciplines and have a sponsor and Lead Member whose role would be to ensure progress and to overcome barriers and obstacles.

## Key Corporate Projects

| Project   | Comment  | Sponsor                         | Lead Member(s)                                       |
|---|--|---------------------------------|--|
| I S Improvements                                | Key developments in Revenues and Benefits. Stage 2 of PC/LAN renewal. Platform for e-government.   | Mark Luntley                    | Bob Price  |
| Leisure Investment Programme                    | Includes the £4.8m agreed investment spread over a 3 year period and the Barton Pool Project.  | Isobel Garner                   | Peter Johnson  |
| Oxpens/West End Development                     | Regeneration of the West End. Establish regeneration partnership. Enhancement of local economy. Major retail, tourism and cultural opportunity.  | Mark Luntley                    | Alex Hollingsworth (L)<br>Colin Cook<br>Bob Price    |
| Town Hall Redevelopment                         | Recommendations coming forward from the BV Review. Requires significant capital resource investment. Also major effort to secure funding.  | Mark Luntley                    | Bob Price (L)<br>Maureen Christian<br>Peter Johnson  |
| Cowley Marsh Depot Move                         | Major project to be developed. Subject to finding a suitable site and that planning permission is obtained.  | Neil Gibson                     | Mary Clarkson (L)<br>Bill Baker<br>Bob Price         |
| Rose Hill Orlits                                | Major scheme and key points are tenants consultation, the need to choose the right partner, the need to get the decant process right and ensuring that the scheme is completed in a timely fashion.                                | Neil Gibson                     | Val Smith  |
| Garage Site and Other Major Housing Development | All areas of poorly used garage sites which are expensive to maintain. Need to build social housing wherever possible, workshops also a possibility. Where it is not possible then we should turn over the land for community use. | Neil Gibson                     | Val Smith  |
| Night Shelter                                   | Costs agreed, proposals in line with homelessness task force, considerable support from government. New ethos geared to health advice and supporting people.   | Neil Gibson                     | Val Smith  |
| Major Sports Development Opportunities          | Significant opportunities to develop partnerships with local sports organisations and Sport England. Horspath Road complex and Riversport Project under way.   | Isobel Garner                   | Peter Johnson  |
| Sickness Absence Improvements                   | HR Plan currently being evaluated.   | Marion Headicar or Paul Warters | Bill Baker   |
| Review of Office Space/Relocation               | Potential consolidation of office space.   | Mark Luntley                    | Bob Price  |
| Preparation for CPA                             | Significant member and officer involvement in the run up to the introduction of CPA.   | Marion Headicar                 | Alex Hollingsworth (L)<br>Mary Clarkson<br>Val Smith |
| Capital of Culture Bid                          | Now we are on the shortlist we need to further develop the bid over the next few weeks.  | Marion Headicar                 | Maureen Christian (L)                                |

Each of the projects would need to be reflected within

- A business Plan
- The capital programme (if appropriate)

Funding, either capital or revenue, would be subject to the usual procedures. For instance:

**Capital Projects:**

Capital appraisal checklist  
Fees analysis against policy  
Inclusion on capital programme  
Major and minor project appraisal process  
Project Management Guide  
Monitoring by the Capital Monitoring Group  
Monitoring by the Sponsor and the Corporate Management Plan

**Revenue Projects**

Project Initiation Document  
Project Management Guide  
Risk Analysis  
Major /minor project appraisal  
Monitoring by the Sponsor and the Corporate Management Plan

**DELIVERY MECHANISMS**

The nature of the corporate projects is diverse. At this stage, it is anticipated that these projects might be delivered either by a member of the Corporate projects Team or from within existing resources located within Business Units.

**CORPORATE PROJECTS TEAM**

This would comprise of individuals with project management skills who are grouped as a unit in line management terms reporting to a Director. They would then be charged with working on specific corporate projects as appropriate. The group would, in time, receive training and development in project management techniques which would provide a pool of expertise which can be used across the authority. There are already individuals doing this work; so there would be no need to "recruit" new staff, merely to group them coherently and develop a corporate skill base. In addition to the Project Managers, there would be a small, skilled support team with specialist skills in programming, change control etc who could support a number of project managers.

### **FINANCING OF THE CORPORATE PROJECTS TEAM**

Project management costs are legitimate costs which could be paid for from capital (subject to the policy that appears elsewhere on the Executive Board agenda) as the project management helps create the asset. At an early stage in each project, clear analysis of the capital needs and professional fees/project management costs must be made so it is clear what level of project management could be funded.

Where a corporate project is not funded through capital, revenue funding would have to be made available to finance the project management.

### **FINANCIAL IMPLICATIONS**

There are no direct financial implications arising from this report. However, as individual corporate projects move towards initiation, the financial implications would be considered on a project by project basis through the usual mechanisms.

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| <p>THIS REPORT HAS BEEN SEEN AND APPROVED BY THE FINANCIAL<br/>MANAGEMENT BUSINESS MANAGER AND THE PORTFOLIO HOLDER FOR<br/>STRATEGIC FINANCE</p> |
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### **Background Papers:**

Corporate Projects Group: Proposals Paper Version 1.2  
Capital Programme Monitoring October 2003