

**Open Report on behalf of David O'Connor, Executive Director
Performance & Governance**

Report to:	Audit Committee
Date:	13 June 2011
Subject:	Programme Centre Update

Summary:

This report provides an update on Programme Centre activity to improve programme and project governance

Recommendation(s):

1. That the Committee note the report;
2. That the Committee receive annual updates on programme and project governance in future.

Background

Further to Minute 46 of the Audit Committee meeting on 13 December 2010, this report updates the Committee on the Council Programme Centre.

The report in December from the Head of Audit and Risk Management noted significant progress but also that:

Greater clarity is required however, of governance processes to provide the Council with assurance of compliance with agreed project management procedures.

To help us to form an opinion regarding appropriate use of the system further audit work will be required in the future once project management processes have become established practice.

Work has continued but we have had to strike a balance between building capacity / good practice against supporting council priority projects.

In terms of capacity building and good governance, priority is being given to:

- Council Business Plan projects;
- Other projects with > £0.5 million impact on the 'core offer' budget savings;

- Projects operating with Mouchel (including alignment of approaches between our two organisations)

There was a conscious decision to avoid overloading managers between Christmas and now whilst major employee consultations were in train but the priorities above are now progressing.

Effectiveness of the approach adopted can be evidenced through progress in supporting the county wide Lincolnshire Improvement and Efficiency Programme. In April 2010 (two years into a three year regional programme that deployed national funding) Lincolnshire's was the worst performing programme in the region. Catalysed by support from the Programme Centre it is now the best performing programme in the region.

Significant changes have been made to resourcing since the last report as a result of budget reductions. The previous Programme Centre, Performance Team and Business Analysis Team have been merged. A Head of Service will be appointed over the summer. Whilst overall staffing resources have reduced, common management and the broader skills available will continue to assist our development and will still be an improvement on previous arrangements. Resources available for procuring specialist support have also reduced but this is being managed tightly.

In terms of supporting priority projects, the main focus recently has been on Managing Workforce Change as that will deliver up to £30 million of the County Council's target £125 million savings over the next four years.

Programme Centre will also be co-ordinating monthly tracking of budget savings initiatives.

Executive Members and Management Board have recently ratified updated priorities for deploying Programme Centre resources for the moment as:

- The core intelligence and capacity building function of the programme centre;
- Delivering core offer, especially in areas of high risk;
- Delivering business change that supports core offer;
- Developing options for future service delivery models

Work is also underway to establish how Internal Audit will utilise Programme Centre to help establish assurance around individual programmes and projects.

Conclusion

Progress is continuing. During this year it is estimated that over 200 priority projects will be tracked through the Info Hub and using a common, but flexible, methodology.

In the light of the above I invite Audit Committee to receive an annual update on Programme and Project Governance in future.

Consultation

a) Policy Proofing Actions Required

n/a

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by David O'Connor, who can be contacted on 01522 552316 or david.oconnor@lincolnshire.gov.uk.