Shadow Dorset Council

SWAP INTERNAL AUDIT SERVICES
Assuring – Improving – Protecting

Shaping Dorset Council Programme – Programme Governance Audit

Introduction

SWAP has recently undertaken two pieces of high-level assurance work in relation to the Shaping Dorset Council (SDC) Programme Governance; this is now the third piece of work which we were commissioned to undertake following instruction from the Shaping Dorset Council Programme Board on the 5.09.18.

The scope of this work was confirmed to be the same as our first piece of work; assessing five key areas of programme governance, in order to form an opinion on the adequacy, design and integrity of the arrangements in place to deliver the intended outcomes of the programme. The five specific areas we have assessed are as follows:

- Programme purpose & clarity
- Programme structure, resources & capacity
- Programme and workstream planning, including interdependencies
- Programme decision-making and escalation arrangements
- Programme reporting and stakeholder management/ engagement

Our audit review has again consisted of meetings with programme stakeholders, as well as review and analysis of key programme activity. We have set out a full record of evidence reviewed as part of this audit, along with the meetings held in Appendix 1. Our conclusions are based on the documentation that was available at the time of our audit (up to 26.09.18).

Overall Assurance Opinion

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In relation to the areas reviewed and the arrangements in place at the time of our audit, some aspects require the improvement of processes and/ or controls to ensure the achievement of objectives.

Whilst there has been a clear improvement in programme governance since our last review, the acceleration of convergence prior to April 2019 has increased certain risks and issues, which now need to be mitigated.

Headline Conclusions

- Programme governance has improved since our last assurance overview, with more clarity and rigour applied to the programme arrangements. The programme structure has been established and embedded, with greater clarity around roles and responsibilities.

- Programme planning and oversight of programme highlights and milestones has improved, although finalising service continuity implementation plans is likely to be slightly delayed beyond their end of September deadline; this will impact on the closure of Phase 1 of the programme.

- Programme decision-making, risk management arrangements and dependency mapping mechanisms and reporting have been developed, with more transparency and rigour now in place.

- However, from a more detailed review of key programme documentation, we identified a range of errors, omissions or inconsistencies that could cause confusion or undermine oversight, management of risks & issues, and decision-making.

- Since our previous assurance review, there has been further discussion and shift in relation to the agreed scope and timescales of Phase 3 of the programme. There is a need to ensure that these changes are appropriately captured through change control mechanisms; ensuring that all changes are formally agreed and documented at the appropriate levels.

- Due to the very recent change in programme timescales regarding the acceleration of Phase 3 convergence, the risk profile of the programme, along with the corresponding workload in advance of April 2019 will significantly increase.

- Resources and capacity to accommodate the original scope and timescales of the programme had been matched and implemented. However, due to the acceleration of original timescales for convergence, there are now likely to be significant short-term resource demands and potential shortages.

Key Findings

1. Programme Purpose & Clarity

The defined scope and purpose of the programme has been clarified through a series of reports, as well as the relevant change control notice at the end of July in relation to convergence and restructure work. However, we understand that there have been very recent discussions regarding a further acceleration of the Phase 3 convergence and restructure work due to the significant financial pressures likely to be faced in the 2019/20 financial year. At the time of our audit work, formal change control documentation, along with the corresponding record of agreement to this, had not yet been produced and recorded, although we understand that this will be undertaken by the programme team shortly.

This shift in programme timing will now require additional short-term planning, programme resource, as well as timely communications to staff. This will help to improve clarity in relation to the timescales for any potential deletion of posts and/ or voluntary redundancy opportunities.

2. Programme Structure, Resources & Capacity

The structure for the Shaping Dorset Council programme has continued to develop, with the various boards and workstreams now established and embedded into the overall programme structure. Roles and responsibilities have been clarified and a more consistent programme reporting rhythm has been established. SDC Programme Board meeting agendas are now consistently structured, with regular programme highlight reporting, as well as recently-introduced standardised papers covering key risks, decisions, and dependencies.

The SDC programme team have continued to recruit in order to match the resource demands of the programme. Whilst resource and capacity have now been matched to the requirements of the original scope of the programme, the acceleration of Phase 3 convergence (as detailed in Section 1 above), will place significant short-term resource demands on the programme team, as well as wider staff with the Dorset authorities. In our opinion, the risk of insufficient programme resource and capacity has therefore reverted to high. However, plans are already in place to start addressing the new resource requirements, and it is intended to address any resource and capacity issues imminently.

Resource dependency is likely to become increasingly important with the acceleration of Phase 3 convergence, with certain individuals increasingly likely to be leading on service continuity implementation, as well as assisting with convergence planning and design. This will present a challenge in relation to pinch points of resource and/or skills in the lead up to April 2019.

The programme gateway review process originally agreed has been slightly delayed, to ensure that Theme Board implementation plans are adequately agreed and finalised. This will then lead to an assessment as to whether Discovery Phase has been completed satisfactorily. The high-level assessment criteria for Gateway 1 has been established and reviewed at Programme Board.

3. Programme and Workstream Planning, including Interdependencies

Programme and workstream planning has been developed, agreed and documented. Project plans for service continuity are currently being drafted and finalised for the three Theme Boards of Place, People and Corporate. Whilst the target date for all of these plans to be in place is the end of September, this deadline is unlikely to be achieved. From our discussions, the delays to these plans are not thought to be significant at this stage, with the aim to finalise all plans in advance of the Gateway review planned in mid-October. If further delays are experienced in relation to service continuity project plans, this is likely to impact on overall programme timescales.

Programme highlight reports and milestone plan reporting is now established and embedded. This includes an overall one-page programme highlight report and milestone summary, as well as consistent one-page summaries for each workstream. Whilst these documents appear to provide an effective mechanism to capture and summarise the overall programme status, our review of the most recent highlight report (19.09.18) identified a number of omissions and errors. For example, the milestone plan presented did not identify any Red i.e. late, off-track or no agreed plan issues that could present a significant risk to the programme, despite these items being flagged and appearing on the individual workstream summaries. Similarly, there were items appearing on individual workstream summaries that did not appear at all on the milestone plan, despite these being significant. We would recommend that a full cross-check is carried out to ensure that highlight report documentation is accurate, consistent, and captures all key information.

Programme dependencies have begun to be captured and mapped, and from September 2018, significant dependencies have been reviewed fortnightly at Programme Board. The review and scoring of dependencies at Workstream Board level has been undertaken to a certain extent, however the SDC programme team have recognised that this is not yet embedded in practice and requires further attention to ensure that dependencies are managed effectively.

Following the finalisation of service continuity implementation plans, there are likely to be a large number of new dependencies identified and emerging. It will become increasingly important that programme dependencies are adequately captured, rated and managed to ensure that implementation plans can remain on track.

Whilst the fortnightly programme dependency highlight report brings an element of rigour to the dependency process, from our comparison of the latest programme dependency report (26.09.18) to the SDC SharePoint site, certain aspects did not appear to match – for example, the overall number of dependencies and scoring of certain dependencies. Whilst this is likely to be an administrative issue, without a consistent and accurate record of all programme dependencies going forwards, there is a risk of ineffective oversight of key dependency areas, with a subsequent impact of programme outcomes.

4. Programme Decision-Making and Escalation Arrangements

Programme decision-making arrangements have improved since our last review, with greater structure and rigour now applied to the decision-making process at various levels in the SDC programme. The revised decision-making arrangements were approved by the programme board on 29 August 2018, which included key mechanisms such as a fortnightly decision-making highlight report to programme board, helping to structure the record keeping of decision-making, as well as the criteria for making a decision and at what programme level this can be made. This has inevitably helped escalation arrangements as well.

From our review of recent decision-making highlight reports, these were clear in relation to the decisions required to be taken at the board to which the paper was to be presented, as well as a record of those decisions taken in the past reporting period. As part of our review, we noted that the decisions log contained a large number of 'Pending' decisions (83) dating back to June 2018, with no plan as to how to address and/ or prioritise this backlog. To ensure completeness, it would appear advisable to review, prioritise and clear historical pending decisions, in order to keep the decision-making process up to date.

Programme risk management arrangements are more developed and embedded since our last assurance review. Arrangements now include a regular risk management exception report presented fortnightly to SDC Programme Board, along with the corresponding full record of programme risks captured in a risk appendix. Risk highlight reports clearly detail new risks identified since the last report, as well as the top five risks thought to be worsening. Recent improvements to the risk appendix include capturing a direction of travel for each risk, as well as identified Accountable Risk Owners and Risk Leads for the vast majority of risks. From our audit review of risk documentation, in addition to the new and worsening risks, risk highlight reports could be enhanced through visually representing the top five overall programme risks in terms of combined impact & likelihood. This would help focus oversight and resource prioritisation and mitigation on key programme issues.

Although the above arrangements demonstrate an improvement in risk management, from our more detailed review of programme risk reporting we identified a number of omissions and inconsistencies when comparing the risks included in the workstream programme highlight reports, to those included on the risk appendix. These were flagged to the programme team at the time of the review and we would recommend that a full cross-checking exercise is undertaken to ensure that the record of programme risks is complete and consistent; especially those risks identified as high.

Although Theme Boards have started identifying their risks, further work will be required once implementation plans come together and are finalised, to effectively capture any emerging new risks. The SDC programme team have also recognised that although workstream boards are expected to review their risks at each meeting to ensure adequate mitigating controls in place, capacity issues at workstream and risk owner level have meant that there are some areas where this is not yet embedded.

5. Programme Reporting and Stakeholder Management/ Engagement

Programme reporting is now sufficiently embedded and stable; with a clear understanding of meeting schedules and associated papers, as well as Programme Board meeting notes being captured etc. The Shaping Dorset Council programme SharePoint site was significantly more populated, with consistency in key areas. However, as highlighted above, from our more detailed review of programme documentation, we identified a range of omissions or inaccuracies in key programme documentation. Whilst the extremely quick pace of the programme means that keeping programme documentation robust and accurate is a challenge, there is a risk that these gaps contribute to information or links being missed, the lack of a complete programme picture, and/ or stakeholder confusion. Due to the recent discussions regarding the acceleration of Phase 3 convergence, timely and effective communication to stakeholders (especially staff) will now present a significant challenge. Again, the programme team are currently revising plans to address this, but this will require adequate resources and coordination.

Recommended Actions from our Programme Assurance Review

Formally capture the full implications relating to the acceleration of Phase 3 convergence within programme change control; including the issues, risks and dependencies this creates, and ensure that this programme change is agreed and signed off at the appropriate levels
Linked to the above, ensure a communications plan for the acceleration of Phase 3 convergence is finalised and implemented
Carry out a full cross-check of the overall programme highlight report, milestone plan and workstream highlight documentation, to ensure that these are accurate, consistent, and capture all key information
Similarly, carry out a full cross-checking exercise of programme risks identified in the workstream highlight reports and risk appendix to ensure that the record of programme risks is complete and consistent; especially those risks identified as high
Review, prioritise and clear the backlog of historical pending programme decisions, in order to ensure the decision-making process is kept up to date and any new decisions required can be easily identified
Carry out a comparison of programme dependencies identified on SharePoint to those in the dependencies highlight report to ensure there is consistency and accuracy
Consider whether risk highlight reports could be enhanced through visually presenting the top five overall programme risks in terms of combined impact & likelihood. This would help focus oversight, resource prioritisation and mitigation on key programme issues

SWAP Internal Audit Services
1st October 2018

APPENDIX 1 - SDC Programme Governance Audit – Evidence Reviewed & Meetings Held as part of this Review

Evidence Reviewed

The following evidence was reviewed as part of this audit, along with the date of the evidence when applicable:

Programme Highlight Report – 19.09.18

Programme Milestone Plan – 19.08.18

Workstream and Theme status updates – 19.08.18

Programme Board Meeting Notes – August & September meeting notes

Programme Board Change Control Notice 25.07.18

Gateway 1 Review: Preparation – August 2018 Presentation

Shaping Dorset Council Phase 3 Plan – 24.08.18

Dependencies Highlight Report – 26.09.18

SDC SharePoint Dependency section

Risk Exception Report – 26.09.18

Risk Appendix – 26.09.18

SDC SharePoint Risk Section

Decisions Highlight Report – 26.09.18

Programme Board Actions & Decisions Log – 26.09.18

SDC SharePoint Decisions Log section

Level 3 and 4 Decision Request Form – 26.09.18

Meetings Held as part of this Review

The following meetings were held as part of this review (listed in alphabetical order):

Keith Cheesman x 2 – 11.09.18 & 26.09.18

Helen Coombes – 24.09.18

Bridget Downton – 17.09.18

Mike Harries – 17.09.18

Sarah Longdon – 27.09.18

Jonathon Mair – 18.09.18

Jim McManus – 27.09.18

Matt Prosser – 19.09.18

Jason Vaughan – 14.09.18

Debbie Ward – 17.09.18