

<b>Meeting</b>	<b>Audit, Risk and Assurance Committee</b>
<b>Date</b>	<b>7 May 2020</b>
<b>Location</b>	<b>Teleconference</b>
<b>Title of Paper</b>	<b>Transformation Change Programme Internal Audit Report</b>
<b>Presented By</b>	<b>Gary Devlin, Partner, Scott-Moncrieff</b>
<b>Recommendation to Members</b>	<b>For Discussion</b>
<b>Appendix Attached</b>	<b>Transformation Change Programme Internal Audit Report</b>

**PURPOSE**

This paper presents our final report on the review of project and programme management arrangements within the Transformation Change Programme.

The paper is presented for the Audit Committee to consider the report, findings and management responses.

The paper is submitted for discussion.

## **1. BACKGROUND**

1.1 As part of the transformation programme, Police Scotland has designed and implemented a standardized approach to the management and control of projects and programmes, the reporting of delivery progress and the realisation and reporting of benefits.

1.2 These draw upon leading project and programme management practices such as PRINCE2 and Managing Successful Programmes (MSP). To support cohesive delivery across a complex portfolio, it is essential that all projects and programmes follow robust and consistent governance arrangements at both project and programme level.

1.3 Our review considered the effectiveness of the following areas across a sample of four current programmes:

- project and programme governance arrangements,
- progress reporting and
- benefits realisation and reporting.

1.4 Our review also considered the extent to which the selected projects and programmes are complying with agreed upon processes. The 4 programmes we examined were:

- Local Policing Programme (LPP)
- Digitally Enabled Policing Programme (DEPP)
- Commercial Excellence Programme (CE)
- Criminal Justice Services Division Programme (CJSD).

## **2. FURTHER DETAIL ON THE REPORT TOPIC**

2.1 We found that there is scope to improve project and programme management arrangements across the Portfolio.

2.2 Our review identified several areas where controls could be introduced to improve the consistency in how programme and projects are managed within Police Scotland such as clearly setting out to what extent best practice standards such as Managing Successful Programmes (MSP) are mandated.

2.3 Our review also identified some areas where controls outlined within the Portfolio Management Framework or programme / project templates were not consistently implemented across the portfolio, such as the use of benefit realisation plans to track programme level

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benefits, or the documentation of owners assigned to project plan tasks.

- 2.4 We noted that some areas within the Portfolio Management Framework are currently being updated or are known issues. For example, we obtained a draft Dependency Management Framework which is intended to replace the current framework, and we were informed that an exercise is currently being undertaken to review Benefit Profiles and ensure owners have been assigned to all benefits.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

### **4. PERSONNEL IMPLICATIONS**

- 4.1 The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

### **5. LEGAL IMPLICATIONS**

- 5.1 The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

### **6. REPUTATIONAL IMPLICATIONS**

- 6.1 The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

### **7. SOCIAL IMPLICATIONS**

- 7.1 The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

### **8. COMMUNITY IMPACT**

8.1 The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

## **9. EQUALITIES IMPLICATIONS**

9.1 The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

## **10. ENVIRONMENT IMPLICATIONS**

10.1 There are no environmental implications associated with this report. The Internal Audit Report considers the impact our review findings may have on organisational risk registers. Committee members should consider this section when considering the overall implications of our findings.

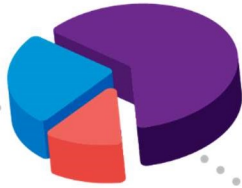
### **RECOMMENDATIONS**

Members are requested to discuss the report.



**Scott-Moncrieff**  
business advisers and accountants

With **Campbell Dallas**  
a Capital company



# Scottish Police Authority

## Internal Audit Report

### Transformation Change Programme

March 2020





# Scottish Police Authority

## Internal Audit Report 2019/20

### Transformation Change Programme

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<i>Audit Sponsor</i>	<i>Key Contacts</i>	<i>Audit team</i>
<i>David Page, Deputy Chief Officer</i>	<i>Justine Nicholson, Head of Portfolio Assurance Kerri Maciver, Head of Portfolio Management</i>	<i>Paul Kelly, IT Audit Director Rachel Wilson, Senior IT Auditor Mary Fitton, IT Auditor</i>





# Executive Summary

## Conclusion

We found that there is scope to improve project and programme management arrangements across the Portfolio.

Our review identified several areas where controls could be introduced to improve the consistency in how programme and projects are managed within Police Scotland such as clearly setting out to what extent best practice standards such as Managing Successful Programmes (MSP) are mandated.

Our review also identified some areas where controls outlined within the Portfolio Management Framework or programme / project templates were not consistently implemented across the portfolio, such as the use of benefit realisation plans to track programme level benefits, or the documentation of owners assigned to project plan tasks.

We noted that some areas within the Portfolio Management Framework are currently being updated or are known issues. For example, we obtained a draft Dependency Management Framework which is intended to replace the current framework, and we were informed that an exercise is currently being undertaken to review Benefit Profiles and ensure owners have been assigned to all benefits.

## Background and scope

As part of the transformation programme, Police Scotland has designed and implemented a standardized approach to the management and control of projects and programmes, the reporting of delivery progress and the realisation and reporting of benefits.

These draw upon leading project and programme management practices such as PRINCE2 and Managing Successful Programmes (MSP). To support cohesive delivery across a complex portfolio, it is essential that all projects and programmes follow robust and consistent governance arrangements at both project and programme level.

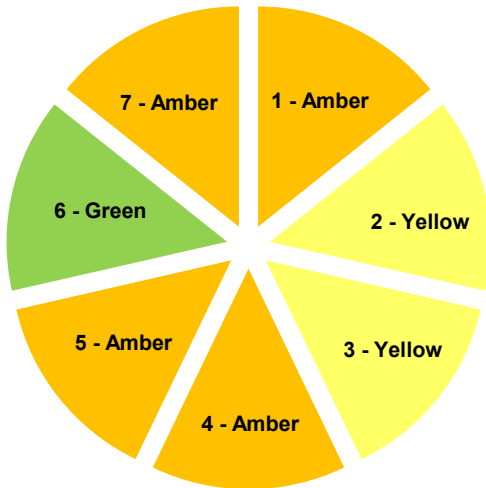
Our review considered the effectiveness of the following areas across a sample of four current programmes:

- project and programme governance arrangements,
- progress reporting and
- benefits realisation and reporting.

Our review also considered the extent to which the selected projects and programmes are complying with agreed upon processes. The 4 programmes we examined were:

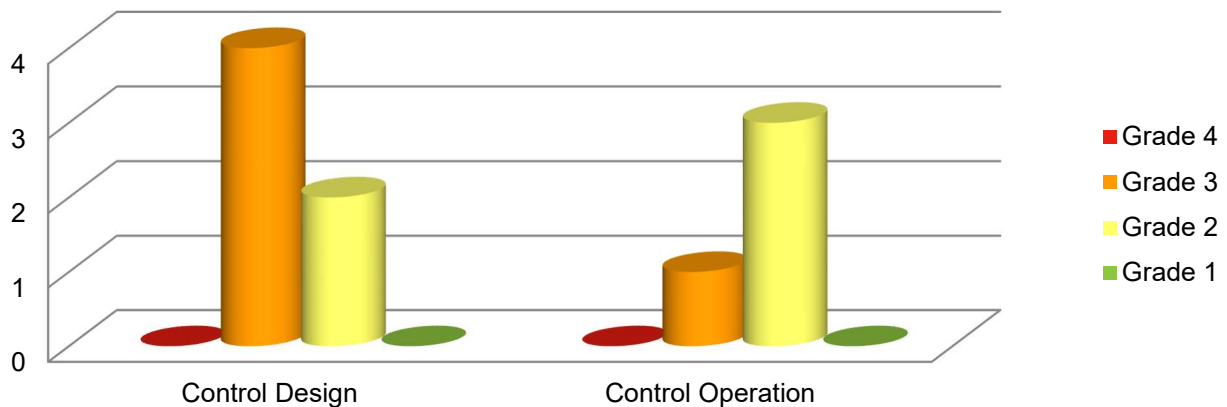
- Local Policing Programme (LPP)
- Digitally Enabled Policing Programme (DEPP)
- Commercial Excellence Programme (CE)
- Criminal Justice Services Division Programme (CJSD)

## Control assessment



- 1. A programme/project initiation document (or equivalent) is in place which sets out the scope, objectives, roles and responsibilities for the project.
- 2. Detailed and up to date programme and project plans that identify all tasks, activities, deadlines and responsibilities are in place.
- 3. There is adequate consideration before and throughout the project to the identification and provision of project management and specialist expertise.
- 4. There are effective project and programme governance arrangements in place.
- 5. There are effective project risk, issue and dependency management and reporting, throughout all stages of the project.
- 6. There are effective change management processes in place.
- 7. There are effective processes for the identification, management, monitoring and reporting management of project and programme benefits.

## Improvement actions by type and priority



Ten improvement actions have been identified from this review, four of which relate to compliance with existing procedures, rather than the design of controls themselves. See Appendix A for definitions of colour coding.

## Key findings

### Good practice

We have gained assurance that Police Scotland's procedures reflect good practice in a number of areas:

- Standard templates are in place for aspects such as the project plan and risk register.
- Changes documented within the change log are linked to supporting evidence such as a request form and approval within discussion summary.

### Areas for improvement

Our review has identified areas for improvement which, if addressed, would strengthen current programme and project management processes. These include:

- Updating the Portfolio Management Framework to include guidance on documentation involved when initiating a programme such as the requirement of a vision statement, and documenting scopes and aims as well as revised process for governance reporting and benefits management.
- Ensuring that project plans are kept up to date and that all tasks within plans have been assigned an owner. This will also support resource management.
- Ensuring that all programme and project boards have formal terms of reference in place and that attendance, decisions and actions are recorded in a consistent manner.
- Improve reporting of programmes. At present, reporting is largely on projects with limited overview of how programmes are performing.
- Improvement in dependency management processes to allow effective and efficient recording and monitoring of dependencies. We noted that dependencies were not always being actively updated and not all dependencies were recorded in a consistent manner.
- Improving the recording and monitoring of benefits. Benefits profiles were found to be incomplete for projects and did not exist at programme level.

These are further discussed in the detailed findings section below.

## Acknowledgements

We would like to thank all staff consulted during this review for their assistance and co-operation.

# Management Action Plan

Control Objective 1: A programme / project initiation document (or equivalent) is in place which sets out the scope, objectives, roles and responsibilities for the programme / project.



Amber

## 1.1 Lack of guidance relating to programme initiation documentation

The Portfolio Management Framework intends to document how portfolios, programmes and projects should be managed within Police Scotland. We noted that roles and responsibilities for Portfolio, Programme and Project Management are documented within the framework. The framework also documents the “Project Lifecycle” which states the expected documents that should be in place and what information they should include, such as the project proposal, initial business case, full business case and project management plan.

However, we noted that, whilst the Framework states that the methodologies adopted by Police Scotland are a mix of different styles and best practices which includes Management of Successful Programmes (MSP), it does not state the extent to which MSP methodology is adopted or give any guidance on what the documentation requirements are. For example, the framework does not state the requirement to document a vision statement for the programme, what a vision statement is or where and when the programme scope, aims, roles and responsibilities should be documented. The vision statement is important in that it sets out the vision and communicates the goal(s) of the programme.

Whilst we have confirmed that vision statements, scopes and aims have been documented for all chosen programmes, there is a lack of consistency in how this has been done. When seeking evidence of vision statements for programmes, we received different documents as the source of these for each programme such as programme blueprint, business case, programme brief, programme initiation plan and programme definition document.

We are also aware that the framework is in the process of being updated to reflect previous audit findings in relation to providing more guidance on the extent to which an Agile methodology can be implemented throughout project management at Police Scotland.

### Risk

There is a risk that, without standard documentation of programme scope and aims, there could be confusion amongst stakeholders on what a programme is intended to achieve. This could result in a lack of clarity for related projects and may negatively impact on stakeholder expectations.

### Recommendation

We recommend that the Portfolio Management Framework is updated to include guidance on how programmes are to be managed (and documented) across the Portfolio, including:

- To what extent the MSP methodology is to be applied;
- What documentation is required at various stages within the programme and what information should be included within them, such as:
  - Programme Blueprint

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- Programme Business Case
- Programme Level Plan
- Programme Level Risk Register and Dependency Logs
- Programme Vision Statement

Once the Framework has been updated, we recommend that it is issued to all relevant staff so that they are all aware of the methodology in place, and programmes going forward are consistent in their approach. This will also make it easier for new programme managers or other individuals who join during the course of programmes to familiarise themselves with documentation and process requirements.

We also recommend that the Portfolio Assurance or PMO team performs reviews to confirm that programme and project documentation is produced in line with agreed standards as set out in the Portfolio Management Framework.

### Management Action

Grade 3  
(Design)

Management accepts the recommendation.

The Portfolio Management Framework is currently being updated and will include guidance on the following:

- The extent of the application of MSP methodology
- Programme Documentation required

The PMF will be an online, interactive document and once updated, a link will be issued to all Change Function staff.

The PMO and the Portfolio Assurance Team will continue to review and assure that programme and project documentation is produced in line with agreed standards as set out in the Portfolio Management Framework.

**Action owner:** Ian Smith, PMO Manager

**Due date:** 30 June 2020

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**Control Objective 2: Detailed and up to date programme and project plans that identify all tasks, activities, deadlines and responsibilities are in place.**

**Control Objective 3: There is adequate consideration before and throughout the programme and project to the identification and provision of management and specialist expertise**

Yellow

## **2.1 Programme level plans are not in place**

Project progress is monitored by the programme board through review of project plans and Highlight Reports, however, it is unclear how the progress of the overarching programme is monitored. With the exception of Commercial Excellence, programme level plans are not in place.

We were informed that project plans can be 'rolled up' to be viewed at a programme level however there is no evidence that plans are reviewed at a programme level or that key programme-level milestones have been identified.

### **Risk**

There is a risk that the progress towards achieving the overarching programme objectives, in line with quality, time and cost expectations is unclear due to lack of creation or monitoring of a programme plan resulting in the possibility of delays and additional costs.

### **Recommendation**

We recommend that high-level programme level plans are produced for each Programme Board. These should be designed to support programme board members track progress of the overarching programme throughout its lifecycle and should record key milestones, and critical interdependencies, including key deliverables and decision points. We also recommend that plans include:

- Tranche objectives, start and end dates
- Projects which sit under the programme, including their durations and key milestones
- Dependencies between projects
- Indication of what human and other resources are required for the successful completion of each project or activity
- Any major reviews e.g. Gateway Review

Grade 2  
(Design)**Management Action**

Management accepts this recommendation.

Individual MS Project Plans are created which are rolled up to provide a Programme View. They are used to track Programme progress throughout the Programme lifecycle.

The Portfolio Planning Lead will ensure these plans include the following:

- Key Milestones
- Critical Dependencies
- Tranche objectives, start and end dates
- Projects which sit under the programme, including their durations and key milestones
- Dependencies between projects
- Indication of what human and other resources are required for the successful completion of each project or activity
- Any major reviews e.g. Gateway Review

**Action owner:** Raymond Taylor, Portfolio Planning Lead

**Due date:** 30 June 2020

## 2.2 Project plans are not consistently updated

Project plan templates are in place which include tasks, start dates, end dates, appointed resource, current status and dependencies. However, for two of the projects (CAM and COS) reviewed, we noted that the plans were not up to date. The CAM project plan shows deadlines which are in the past and which have not been updated to include new deadline dates. We also noted that new deadline dates are recorded within the COS National Productions Highlight Report but had not been updated in the corresponding project plan.

We were informed that, for the CAM project, a dashboard is used to track project progress by extracting relevant sections of the plan to be discussed within project board meetings however this dashboard does not include delivery dates.

Without up-to-date project plans, we were unable to confirm the adequacy of resource management activities. We do recognise that specialist resource requirements (such as ICT, Procurement and HR) are considered at the planning stage of projects and documented within the Full Business Case. Project Highlight Reports also include a section to document resources involved at that specific timescale of the project.

### Risk

There is a risk that, without up-to-date project and programme plans, management will not be able to easily identify and assess the impact of delays to individual tasks to the project schedule. This could result in possible delays to project delivery and additional costs.

There is also a risk that management will not be able to plan and manage resources effectively without up-to-date project plans. This could result in resources not being available at critical stages of the project, resulting in delays in objectives being achieved and the potential for negative impacts on other projects within the programme.

### Recommendation

We recommend that formal processes are implemented to ensure that project plans are kept up-to-date. Project managers should ensure that these are updated with a frequency that matches the pace of the project and to allow for project plans to be used as the basis of updates to governance groups.

Where changes are made to project plans, we recommend that project and, if necessary, programme managers assess the impact on resource requirements and provide information to the PMO as soon as possible to support resource management activities.



Grade 2  
(Operation)

**Management Action**

Management accepts this recommendation.

The creation of a Planning Calendar is in progress which will define the approach to the update of project plans. These formal processes will be implemented to ensure that project plans are kept up-to-date and maintained with a frequency that matches the pace of the project to timeously report to Programme Boards and the PMO any critical changes. Any changes are monitored via monthly Highlight Reports.

**Action owner:** Raymond Taylor, Portfolio Planning Lead

**Due date:** 30 June 2020

## 2.3 Project plans do not consistently record owners against tasks

Project plan templates are in place which include tasks, start dates, end dates, appointed resource, current status and dependencies. We obtained the CAM project plan and the CE programme plan and found that resources had been adequately documented. However, we noted that the Custody project plan only documents resource names for a small number of tasks, some of which have been completed or are nearing completion stage.

We also noted that within the COS National Productions project plan, several resource names have been documented as “Development” and other resource names have been left blank.

### Risk

There is a risk that tasks are not completed due to a lack of clarity/accountability for them. This could result in potential delays to the tasks on the critical path and overall project.

### Recommendation

We recommend that all tasks within project plan include task owners who are accountable for the task being completed in line with the deadline. This should be recorded as a specific individual, where known, or, where not, against a specific role or team to support resource demand planning. Where this has not already been done and the task is not yet completed, we recommend that an exercise is completed to retrospectively assign owners.

We recommend that once this has been completed, an updated version of the project plan is circulated to allow all individuals involved with the project to be fully aware of their responsibilities.

#### Management Action

Grade 2  
(Operation)

Management accepts this recommendation

Going forward, all tasks within project plans will include individual task owners, where known, and, where not known, a role or team to support resource demand planning.

**Action owner:** Raymond Taylor, Portfolio Planning Lead

**Due date:** 30 September 2020

## Control Objective 4: There are effective project and programme governance arrangements in place.



Amber

### 4.1 Unclear programme reporting requirements

The Portfolio Management Framework states that programme-level Highlight Reports are to be completed on a monthly basis by Programme Managers for submission to the PMO. However, we were informed that these are no longer produced at a programme level, with the reason given that they were seen to be a duplication of the project-level Highlight Reports. We noted that the Framework document has not been updated to reflect the change in reporting requirements.

We are aware that a Portfolio Overview document is in place which goes to the Change Board. This provides a short summary on the progress of each programme and its component projects. We noted that the update provided at programme level is no more detailed than those for individual projects. We also noted that the February 2020 report to the Change Board did not include a programme-level update for the Local Policing Programme. Only project-level summaries were provided.

#### Risk

There is a risk that Portfolio management activity focuses on individual projects rather than programmes. This could result in a risk that projects are micro-managed and insufficient focus on ensuring the successful delivery and leadership over programmes.

#### Recommendation

We recommend that, in line with the recommendations at MAP1.1, the Framework is updated to include the new reporting process which should be followed by programme teams. The Framework should document:

- What the programme manager is required to report against.
- The format in which programme managers will report to the PMO.
- The frequency in which reporting should take place.

We also recommend that a formal process is established to update documentation/standards whenever there is an agreed change to reporting requirements or project and programme management processes. This will ensure that there is clarity for all parties.

In the medium-term, we also recommend that management re-evaluates the reporting requirements and processes for projects and programmes. The aim should be to provide the Change Board with updates at a programme level which draw upon the project level reports. These reports should present the Change Board with high-level information on the status of the overall programme as well as risk, issues, financial performance and benefits realisation.

Grade 3  
(Design)

**Management Action**

Management accepts this recommendation.

The Portfolio Management Framework is currently being updated and will include the Programme reporting requirements.

**Action owner:** Ian Smith, PMO Manager

**Due date:** 30 June 2020

## 4.2 Inconsistencies in supporting documentation for governance boards

We were informed that governance boards were in place for all programmes and projects in our sample. However, we identified that a Terms of Reference (TOR) does not exist for the CAM Project Board and although, a TOR exists for CE and has been approved by the Programme Board, it is still noted in draft format.

We also noted that only an action log could be provided for the CE Programme Board, as attendance at board meetings is not recorded.

We also noted inconsistency in the processes through which governance groups recorded meetings, actions and decisions. In some cases, meetings had good quality minutes which included details of discussions along with records of attendees, actions and decisions. In other cases, meetings were not minuted and reliance had to be placed on what was documented in the respective action and decision logs. For the Custody Project Board in particular, we noted that there was no formal record of attendees at meetings other than who had accepted the meeting invite in Outlook.

We also noted that the Terms of Reference for the Change Board needed to be updated. For example, this does not recognise that it is now the DCC – People and Professionalism who is the Chair of the Board. We also noted from a review of the minutes that the recording of members and attendees was incorrect with some members recorded as attendees. On the face of it, the November 2019 meeting was not quorate based on the way attendance had been recorded. The minutes of that meeting indicated that only six members attended. However, a number of members of the Change Board including the DCCs for Local Policing and Crime and Operations were instead listed as being 'in attendance' at the meeting.

As part of our audit work, we reviewed a sample of Highlight Reports produced for the individual projects across the programmes. We noted that there was scope to improve the completion of these reports. As an example, whilst there is a section for Finance (showing budget, actual and variance per financial year), this information was rarely completed for those reports in our sample as was information on quantitative and qualitative benefits.

### Risk

There is a risk that board members are not aware of their own responsibilities or the full purpose and remit of the board, due to lack of a finalised terms of reference. This could impact board members' ability to carry out their roles on the board, and their ability to support the board in holding itself accountable.

There is also a risk that key tasks identified within board meetings are not completed due to agreed actions not being recorded and assigned task owners. This could result in delays or failure to meeting programme / project deadlines.

### Recommendation

We recommend that final versions of board terms of reference are in place for all programme and project boards. These terms of reference should include the purpose of the committee, its remit, and the composition of the board including each individual's role. Once approved, the finalised version of the TOR should be circulated to the relevant individuals.

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We also recommend that the TOR for the Change Board is updated to reflect current membership and leadership. We also recommend that minutes of Change Board meetings accurately reflect attendance at meetings including distinguishing between those attending as members, and those in an observer capacity.

We also recommend that an agreed minimum documentation standard is agreed for project and programme board meetings. As a minimum, the minutes should record attendance, decisions reached and agreed actions (including action owners and deadlines). This will allow those board members to have some insight on what was discussed, the decisions that have been taken, the agreed actions and by when they are to be addressed.

Management should also establish processes through the PMO to confirm that all sections of Highlight Reports are fully and accurately completed before they are included in wider governance reports including the Portfolio Management Group and Change Board. This will provide assurance to those charged with governance on whether projects and programmes finances and benefits are being managed effectively.

### Management Action

Grade 3  
(Design)

Management accepts this recommendation.

Where no Terms of Reference exists for a Programme or Project Board, one will be created which includes purpose and remit of the board and the composition, including individual roles, then approved and circulated.

The ToR for the Change Board has recently been updated to reflect current membership and leadership. Change Board minutes accurately reflect attendance at meetings and the Terms of Reference lists membership, therefore, it distinguishes between those attending as members and those who are observers.

At a minimum, an action/decision log will be created for each Programme and Project Board which records attendance, decisions reached, agreed actions with owners and deadlines. Any assigned actions and high-level decisions made at boards will be recorded on the actions/decisions log.

Where sections of Highlight Reports are not fully or accurately completed, a PMO process has been established to ensure accuracy and completion prior to presentation in wider governance reports, including PMG and Change Board.

**Action owner:** Ian Smith, PMO Manager

**Due date:** 30 September 2020

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## Control Objective 5: There are effective programme and project risk, issue and dependency management and reporting, throughout all stages of the project.

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Amber

### 5.1 Monitoring of dependencies is not currently performed at a programme level

A dependency management process and guidance document is in place and is attached as an appendix to the Portfolio Management Framework. The guidance explains the roles and responsibilities of Organisational Development, Project Managers and Project Support Officers. However, it does not outline the roles and responsibilities of Programme Managers in identifying, monitoring and reporting dependencies.

We were also informed that a dependency log is in place for each project and that the information from these logs feed into a master dependency log held by the PMO. However, no log is currently held at programme level. We noted that management and monitoring of dependencies was under-developed. We noted that some dependency logs had not been updated to reflect project progress and not all dependencies were recorded in a consistent manner.

In response to this, the Portfolio Planning Lead who is responsible for dependency management has drafted a new Dependency Management Framework which is yet to be approved but includes roles and responsibilities of the Programme Manager and the Programme Board. The draft Framework also includes the introduction of dependency owners. The Framework states that monthly Highlight Reports will be used to track the project progress and identify support required to deliver dependencies. However, it does not state how programme level dependencies will be monitored.

#### Risk

There is a risk that programme managers are not aware of their responsibility to identify and communicate dependency information due to a lack of guidance, resulting in failure to consider dependency impacts and increasing the possibility of programme and project delays.

#### Recommendation

We recommend that the draft Framework is updated to reflect the role of the Programme Manager as being responsible for management of project inter-dependencies. We recommend that the process for how programme level dependencies should be managed is documented within the framework.

We also recommend that there is routine management and monitoring of project and programme dependencies, including the reporting of any issues through Highlight Reports.

**Management Action**

Grade 3  
(Design)

Management accepts this recommendation.

A Dependency Management Framework is currently being created which reflects roles and responsibilities and details the process for how programme level dependencies should be managed.

Dependencies will be monitored and reported via the Highlight Report.

**Action owner:** Raymond Taylor, Portfolio Planning Lead

**Due date:** 30 September 2020



## 5.2 Risk registers are not always being updated

As part of our audit testing, we reviewed a sample of project and programme risk registers. We noted that a standard template was being used across all projects and programmes.

Whilst, in the main, risk registers were being routinely updated, our audit testing identified several areas where there is a need for improvement in their maintenance. These include:

- It was rarely the case that the risk register included the date when the risk was first recorded;
- The CJSD Programme risk register contained three risks that had not been subject to review since 10 June 2019 and three of the seven open risks did not have a Risk Owner assigned. We also noted that, where Risk Owner was assigned, these were assigned to the Programme Manager
- Target dates were not always included for all risks. In particular, we noted that the DESC project risk register did not include any dates.

### Risk

There is a risk that risks are not being adequately managed if they are not reviewed regularly or assigned owners. There is also a risk that, without recording the dates when risks were originally recorded and their target for resolution, management will not be able to confirm that risks are being addressed in a timely manner.

### Recommendation

We recommend that risk registers are updated to include all required information. This should include:

- Noting the date when the risk was first recorded;
- Ensuring that all risks are subject to formal review on a regular basis;
- Assigning owners for each risk to relevant project and programme personnel; and
- Recording target dates for the resolution of all risks.

#### Management Action

Grade 2  
(Design)

Management accepts this recommendation.

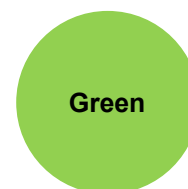
Risk Registers will be updated to include:

- Date when the risk was first recorded;
- Assigning owners for each risk to relevant project and programme personnel; and
- Recording target dates for the resolution of all risks.

Regular formal reviews on all risks will be undertaken.

**Action owner:** Laura Stewart, Portfolio Team Leader    **Due date:** 30 September 2020

## Control Objective 6: There are effective change management processes in place.



### No issues identified

A Change Request Policy is in place and is included as an appendix to the Portfolio Management Framework.

The policy includes levels of approval required for changes and a process map for minor, intermediate and substantial changes. A register is kept of all changes which documents the programme and project the change relates to, which governance boards the request was submitted to and its current status. We obtained evidence to confirm that change requests are submitted to the appropriate governance group via a change request form. And that the change request shows sign off and dates of approvals given. We also obtained documentation which evidences the discussion of the change at the relevant board.

Our audit work was limited to the review of identified changes in Highlight Reports and the review of policies and procedures.

## Control Objective 7: There are effective processes for the identification, management, monitoring and reporting management of project and programme benefits.


 Amber

### 7.1 Benefit realisation is not tracked at a programme level

Although the Benefits Management Strategy currently states that each programme will produce its own Benefits Realisation Plan (BRP), we were informed that this is no longer the process and that all benefit information is now documented within benefit profiles. These documents are used to define the benefit and record its attributes and dependencies.

Upon receiving benefit profiles, we noted that, except for Commercial Excellence, these are not complete for projects and are not in place at a programme level. There is no programme level documentation which sets out all the benefits expected to be achieved, how these relate to each of the benefits outlined within programme initiation documentation, and key milestones which should be met to ensure that benefits are achieved in line with target dates.

We were informed that a new role has recently been introduced within the PMO (Portfolio Delivery Lead) to manage benefits, therefore several new processes are currently being developed. The Delivery Lead is aware that the Benefits Management Strategy requires to be updated as a result.

#### Risk

There is a risk that the programme team are unaware of how delays in achieving project level benefits affects the achievement of the benefits outlined within programme initiation documentation due to a lack of an overarching benefit plan for the programme resulting in failure to meet programme expectations. There is also a risk that, if benefits are not adequately documented, they will not be effectively managed during the course of and after a project. This could result in expected benefits set out within a business case failing to materialise.

#### Recommendation

We recommend that processes are developed to improve the recording and monitoring of project and programme benefits.

We recommend that a programme level document is in place which sets out:

1. Programme benefits as outlined in the programme initiation documentation;
2. How project level benefits relate to the outline programme benefits;
3. Due dates and key benefit milestones which are crucial to benefits being realised within deadline dates.

We also recommend that there is formal monitoring of benefits realisation throughout the course of projects and programmes. This should include standing agenda items at project and programme boards and updates on progress in Highlight Reports.

We recommend that once it has been agreed how benefits are tracked at programme level, the Benefit Management Strategy is updated to reflect new processes.

**Management Action**Grade 3  
(Operation)

Management accepts this recommendation

Further to a past Scott Moncrieff audit recommendation, we are currently in process of ensuring all projects now have a Project Benefit Realisation Plan.

We will ensure the Project level plans are rolled up to a Programme Benefit Realisation Plan which details programme benefits as outlined in the programme initiation documentation, how project level benefits relate to the outline programme benefits and due dates and key benefit milestones.

**Action owner:** Alix Tierney, Portfolio Delivery Reporting Lead    **Due date:** 30 September 2020

## 7.2 Benefit owners have not consistently been assigned

Benefit owners are not in place for all identified benefits. We were informed that the Portfolio Delivery Lead is currently undertaking an exercise to review all benefit profiles and ensure that owners have been assigned or agree owners where this has not previously been done.

We obtained and reviewed benefit profiles for all projects and we note that some profiles are yet to go through this retrospective exercise so do not have a benefit owner in place. However, we also identified several instances where a job title (e.g. Chief Supt CJSD) or division (e.g. Operational Support Division) has been recorded instead of a named individual.

We also noted several instances where information such as benefit priority, benefit description, constraints and data source had not been completed within the profile.

### Risk

There is a risk that benefits do not progress in line with target deadlines due to lack of accountability and responsibility to monitor the benefit resulting in failure to meet project and programme expectations.

### Recommendation

We recommend that the Portfolio Delivery Lead continues to review all benefit profiles, ensuring that each part of the profile has been completed.

We also recommend that when assigning ownership of benefits, a named individual or role is identified with a record of this assignment being recorded by respective programme boards.

#### Management Action

Grade 2  
(Operation)

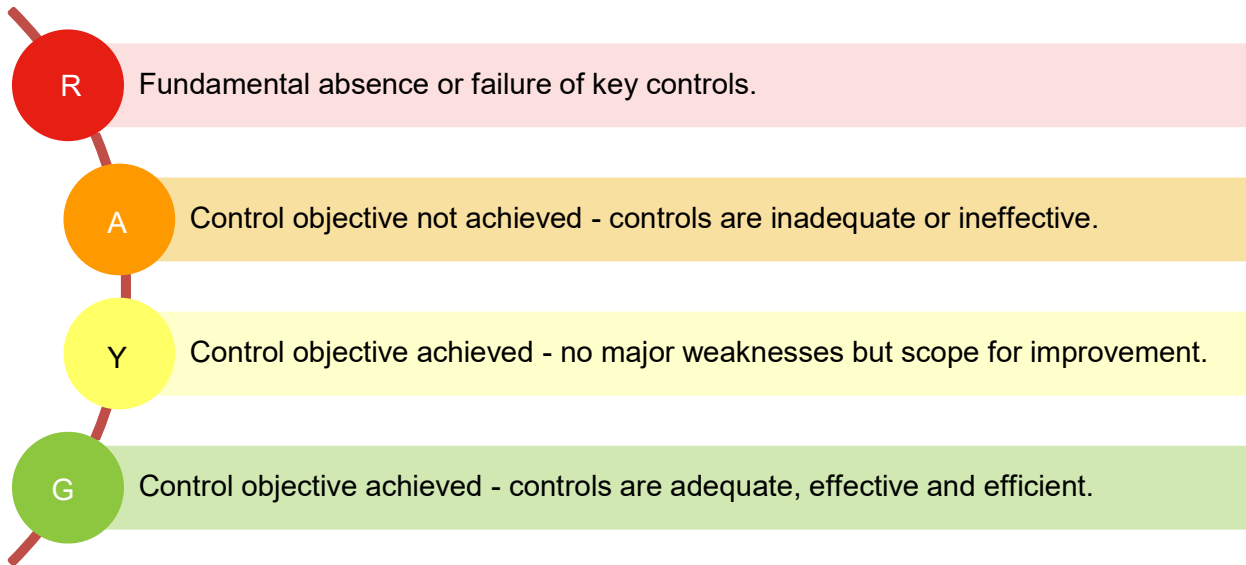
Management accepts this recommendation.

All Benefit Profiles will be reviewed ensuring that each element is populated and ensuring a role is identified as Benefit Owner. This will be agreed as part of the Programme Board.

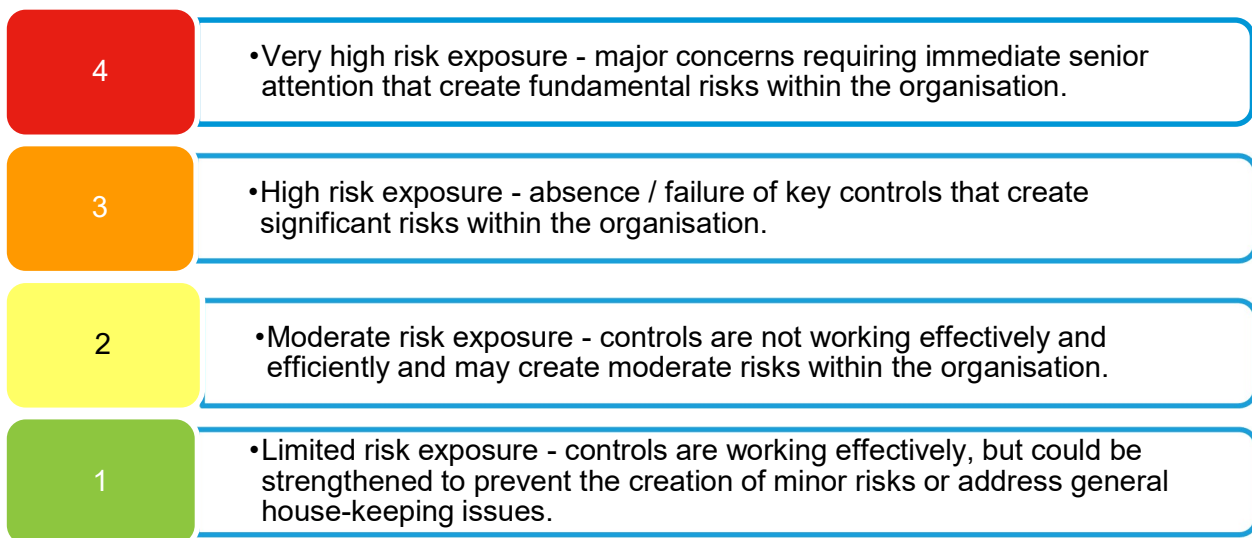
**Action owner:** Alix Tierney, Portfolio Delivery Reporting Lead    **Due date:** 30 September 2020

# Appendix A – Definitions

## Control assessments



## Management action grades



# Appendix B – Action Summary

Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
1.1	<p>We recommend that the Portfolio Management Framework is updated to include guidance on how programmes are to be managed (and documented) across the Portfolio, including:</p> <ul style="list-style-type: none"> <li>• To what extent the MSP methodology is to be applied;</li> <li>• What documentation is required at various stages within the programme and what information should be included within them, such as: <ul style="list-style-type: none"> <li>o Programme Blueprint</li> <li>o Programme Business Case</li> <li>o Programme Level Plan</li> <li>o Programme Level Risk Register and Dependency Logs</li> <li>o Programme Vision Statement</li> </ul> </li> </ul> <p>Once the Framework has been updated, we recommend that it is issued to all relevant staff so that they are all aware of the methodology in place, and programmes going forward are consistent in their approach. This will also make it easier for new programme managers or other individuals who join during the course of programmes to familiarise themselves with documentation and process requirements.</p>	<p>Management accepts the recommendation.</p> <p>The Portfolio Management Framework is currently being updated and will include guidance on the following:</p> <ul style="list-style-type: none"> <li>• The extent of the application of MSP methodology</li> <li>• Programme Documentation required</li> </ul> <p>The PMF will be an online, interactive document and once updated, a link will be issued to all Change Function staff.</p> <p>The PMO and the Portfolio Assurance Team will continue to review and assure that programme and project documentation is produced in line with agreed standards as set out in the Portfolio Management Framework.</p>	3	Ian Smith, PMO Manager	30 June 2020

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Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
	We also recommend that the Portfolio Assurance or PMO team performs reviews to confirm that programme and project documentation is produced in line with agreed standards as set out in the Portfolio Management Framework.				
2.1	<p>We recommend that high-level programme level plans are produced for each Programme Board. These should be designed to support programme board members track progress of the overarching programme throughout its lifecycle and should record key milestones, and critical interdependencies, including key deliverables and decision points. We also recommend that plans include:</p> <ul style="list-style-type: none"> <li>• Tranche objectives, start and end dates</li> <li>• Projects which sit under the programme, including their durations and key milestones</li> <li>• Dependencies between projects</li> <li>• Indication of what human and other resources are required for the successful completion of each project or activity</li> <li>• Any major reviews e.g. Gateway Review</li> </ul>	<p>Management accepts this recommendation.</p> <p>Individual MS Project Plans are created which are rolled up to provide a Programme View. They are used to track Programme progress throughout the Programme lifecycle.</p> <p>The Portfolio Planning Lead will ensure these plans include the following:</p> <ul style="list-style-type: none"> <li>• Key Milestones</li> <li>• Critical Dependencies</li> <li>• Tranche objectives, start and end dates</li> <li>• Projects which sit under the programme, including their durations and key milestones</li> <li>• Dependencies between projects</li> <li>• Indication of what human and other resources are required for the successful completion of each project or activity</li> <li>• Any major reviews e.g. Gateway Review</li> </ul>	2	Raymond Taylor, Portfolio Planning Lead	30 June 2020

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Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
2.2	<p>We recommend that formal processes are implemented to ensure that project plans are kept up-to-date. Project managers should ensure that these are updated with a frequency that matches the pace of the project and to allow for project plans to be used as the basis of updates to governance groups.</p> <p>Where changes are made to project plans, we recommend that project and, if necessary, programme managers assess the impact on resource requirements and provide information to the PMO as soon as possible to support resource management activities.</p>	<p>Management accepts this recommendation.</p> <p>The creation of a Planning Calendar is in progress which will define the approach to the update of project plans. These formal processes will be implemented to ensure that project plans are kept up-to-date and maintained with a frequency that matches the pace of the project to timeously report to Programme Boards and the PMO any critical changes. Any changes are monitored via monthly Highlight Reports</p>	2	Raymond Taylor, Portfolio Planning Lead	30 June 2020
2.3	<p>We recommend that all tasks within project plan include task owners who are accountable for the task being completed in line with the deadline. This should be recorded as a specific individual, where known, or, where not, against a specific role or team to support resource demand planning. Where this has not already been done and the task is not yet completed, we recommend that an exercise is completed to retrospectively assign owners.</p> <p>We recommend that once this has been completed, an updated version of the project plan is circulated to allow all individuals involved with the project to be fully aware of their responsibilities</p>	<p>Management accepts this recommendation</p> <p>Going forward, all tasks within project plans will include individual task owners, where known, and, where not known, a role or team to support resource demand planning.</p>	2	Raymond Taylor, Portfolio Planning Lead	30 Sept 2020

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Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
4.1	<p>We recommend that, in line with the recommendations at MAP1.1, the Framework is updated to include the new reporting process which should be followed by programme teams. The Framework should document:</p> <ul style="list-style-type: none"> <li>• What the programme manager is required to report against.</li> <li>• The format in which programme managers will report to the PMO.</li> <li>• The frequency in which reporting should take place.</li> </ul> <p>We also recommend that a formal process is established to update documentation/standards whenever there is an agreed change to reporting requirements or project and programme management processes. This will ensure that there is clarity for all parties.</p> <p>In the medium-term, we also recommend that management re-evaluates the reporting requirements and processes for projects and programmes. The aim should be to provide the Change Board with updates at a programme level which draw upon the project level reports. These reports should present the Change Board with high-level information on the status of the overall programme as well as risk, issues, financial performance and benefits realisation.</p>	<p>Management accepts this recommendation.</p> <p>The Portfolio Management Framework is currently being updated and will include the Programme reporting requirements.</p>	3	Ian Smith, PMO Manager	30 June 2020

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Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
4.2	<p>We recommend that final versions of board terms of reference are in place for all programme and project boards. These terms of reference should include the purpose of the committee, its remit, and the composition of the board including each individual's role. Once approved, the finalised version of the TOR should be circulated to the relevant individuals.</p> <p>We also recommend that the TOR for the Change Board is updated to reflect current membership and leadership. We also recommend that minutes of Change Board meetings accurately reflect attendance at meetings including distinguishing between those attending as members, and those in an observer capacity.</p> <p>We also recommend that an agreed minimum documentation standard is agreed for project and programme board meetings. As a minimum, the minutes should record attendance, decisions reached and agreed actions (including action owners and deadlines). This will allow those board members to have some insight on what was discussed, the decisions that have been taken, the agreed actions and by when they are to be addressed.</p> <p>Management should also establish processes through the PMO to confirm that all sections of Highlight Reports are fully</p>	<p>Management accepts this recommendation.</p> <p>Where no Terms of Reference exists for a Programme or Project Board, one will be created which includes purpose and remit of the board and the composition, including individual roles, then approved and circulated.</p> <p>The ToR for the Change Board has recently been updated to reflect current membership and leadership. Change Board minutes accurately reflect attendance at meetings and the Terms of Reference lists membership, therefore, it distinguishes between those attending as members and those who are observers.</p> <p>At a minimum, an action/decision log will be created for each Programme and Project Board which records attendance, decisions reached, agreed actions with owners and deadlines. Any assigned actions and high-level decisions made at boards will be recorded on the actions/decisions log.</p> <p>Where sections of Highlight Reports are not fully or accurately completed, a PMO process has been established to ensure accuracy and completion prior to presentation in wider governance reports, including PMG and Change Board.</p>	3	Ian Smith, PMO Manager	30 Sept 2020

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Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
	and accurately completed before they are included in wider governance reports including the Portfolio Management Group and Change Board. This will provide assurance to those charged with governance on whether projects and programmes finances and benefits are being managed effectively				
5.1	<p>We recommend that the draft Framework is updated to reflect the role of the Programme Manager as being responsible for management of project inter-dependencies. We recommend that the process for how programme level dependencies should be managed is documented within the framework.</p> <p>We also recommend that there is routine management and monitoring of project and programme dependencies, including the reporting of any issues through Highlight Reports.</p>	<p>Management accepts this recommendation.</p> <p>A Dependency Management Framework is currently being created which reflects roles and responsibilities and details the process for how programme level dependencies should be managed.</p> <p>Dependencies will be monitored and reported via the Highlight Report.</p>	3	Raymond Taylor, Portfolio Planning Lead	30 Sept 2020
5.2	<p>We recommend that risk registers are updated to include all required information. This should include:</p> <ul style="list-style-type: none"> <li>• Noting the date when the risk was first recorded;</li> <li>• Ensuring that all risks are subject to formal review on a regular basis;</li> <li>• Assigning owners for each risk to relevant project and programme personnel; and</li> </ul>	<p>Management accepts this recommendation.</p> <p>Risk Registers will be updated to include:</p> <ul style="list-style-type: none"> <li>• Date when the risk was first recorded;</li> <li>• Assigning owners for each risk to relevant project and programme personnel; and</li> <li>• Recording target dates for the resolution of all risks.</li> </ul>	2	Laura Stewart, Portfolio Team Leader	30 Sept 2020

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Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
	<ul style="list-style-type: none"> <li>Recording target dates for the resolution of all risks.</li> </ul>	Regular formal reviews on all risks will be undertaken			
7.1	<p>We recommend that processes are developed to improve the recording and monitoring of project and programme benefits.</p> <p>We recommend that a programme level document is in place which sets out:</p> <ul style="list-style-type: none"> <li>Programme benefits as outlined in the programme initiation documentation;</li> <li>How project level benefits relate to the outline programme benefits;</li> <li>Due dates and key benefit milestones which are crucial to benefits being realised within deadline dates.</li> </ul> <p>We also recommend that there is formal monitoring of benefits realisation throughout the course of projects and programmes. This should include standing agenda items at project and programme boards and updates on progress in Highlight Reports.</p> <p>We recommend that once it has been agreed how benefits are tracked at programme level, the Benefit Management Strategy is updated to reflect new processes.</p>	<p>Management accepts this recommendation</p> <p>Further to a past Scott Moncrieff audit recommendation, we are currently in process of ensuring all projects now have a Project Benefit Realisation Plan.</p> <p>We will ensure the Project level plans are rolled up to a Programme Benefit Realisation Plan which details programme benefits as outlined in the programme initiation documentation, how project level benefits relate to the outline programme benefits and due dates and key benefit milestones</p>	3	Alix Tierney, Portfolio Delivery Reporting Lead	30 Sept 2020
7.2	<p>We recommend that the Portfolio Delivery Lead continues to review all benefit profiles, ensuring</p>	<p>Management accepts this recommendation.</p> <p>All Benefit Profiles will be reviewed ensuring that each element is</p>	2	Alix Tierney, Portfolio Delivery	30 Sept 2020

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Action No.	Recommendation	Management Response	Grade	Action Owner	Due Date
	<p>that each part of the profile has been completed.</p> <p>We also recommend that when assigning ownership of benefits, a named individual or role is identified with a record of this assignation being recorded by respective programme boards</p>	<p>populated and ensuring a role is identified as Benefit Owner. This will be agreed as part of the Programme Board</p>		<p>Reporting Lead</p>	

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