

MIDDLESBROUGH COUNCIL	
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Report of:	Director of Legal and Governance Services
Submitted to:	Audit Committee
Date:	13 March 2025
Title:	Programme and Project Management Framework Assurance
Report for:	Information
Status:	Public
Council Plan priority:	Delivering Best Value

Executive summary	
<p>This report provides an overview of the Council's programme and project management arrangements, to demonstrate assurance that they are robust and fit for purpose and that they support the delivery of the Council's priorities and aims, and approach to delivery of transformation</p> <ul style="list-style-type: none"> • Overview of the Council's corporate portfolio of projects delivery performance for 2024/25 • Overview of delivery performance of the Transformation Programme during 2024/25 • Improvements delivered during 2024/25 • Further planned improvements for 2025/26 	

1. Purpose

1.1 The purpose of this report is to outline the Council's approach to Programme and Project Management (PPM), to summarise 2024/25 activity and planned developments for 2025 and beyond to provide the Committee with assurance that the Council has robust PPM arrangements in place which support delivery of the Council's priorities and ambitions.

2. Recommendations

2.1 That the Audit Committee

- Notes internal audit opinion that robust arrangements are in place to govern programme and project management within the Council.
- Notes project delivery performance against Corporate and Transformation projects during 2024/25.

- Notes the effective establishment of the Transformation Portfolio and associated governance arrangements in 2024/25.
- Notes the improvements delivered during 2024/25.
- Notes plans to further improve and strengthen programme and project management, including the implementation of a Centre of Excellence model.

3. Background and relevant information

- 3.1 The Portfolio Management Office (PMO) has responsibility for the strategic oversight of the Council's portfolio of programmes and projects that are managed within the corporate Programme and Project Management Framework (PPMF), which is in place to provide a consistent approach to PPM governance and documentation.
- 3.2 The PPMF is supported by an existing range of tools and templates and provides support and assurance for existing priority programmes and projects.
- 3.3 The PMO currently has oversight of 17 projects within the corporate portfolio and an additional 76 projects and saving initiatives, which comprise the transformation portfolio. Combined, these programmes and projects contribute to and support the achievement of Council Plan priorities and continue to further embed the PPM framework and methodology across the Council.
- 3.4 Compliance is assured through monthly project health checks and performance is reported monthly to LMT and quarterly to the Executive.

Corporate Portfolio Performance 2024/25

- 3.5 Projects managed within the corporate portfolio are categorised as either Level 1 (the most complex projects) or Level 2 (lighter-touch projects), and their performance is assessed and reported using Red, Amber, and Green (RAG) indicators that measure how well the project is delivering against expectations.
- 3.6 The table below shows a positive increase in the overall performance trend of programmes and projects within the corporate portfolio to date in the last 12 months:

Level	RAG	Target	End 2022/23	Feb 2023/24	Feb 2024/25	On target	Direction of travel
1	Red	N/A	0%	0%	0%	Yes	Optimum
	Amber	90%	8%	13%	0%	Yes	Optimum
	Green		92%	87%	100%		
2	Red	N/A	0%	0%	0%	Yes	Optimum
	Amber	90%	14%	0%	0%	Yes	Optimum
	Green		86%	100%	100%		
Totals	Red	N/A	0%	0%	0%	Yes	Optimum
	Amber	90%	10%	9%	0%	Yes	Optimum
	Green		90%	91%	100%		

Transformation Portfolio Performance 2024/25

- 3.7 The Council established its approach to Transformation of Recover, Reset, Deliver, in 2024, designed to align with the vision and ambitions of the Council Plan, with the aim to deliver tangible outcomes which benefit the people of Middlesbrough whilst delivering value for money and a financially sustainable organisation.
- 3.8 The *‘Approach to Transformation of Middlesbrough Council’* report to full Council on 27 March 2024 outlined the structure of the Transformation Portfolio, which currently comprises six thematic programmes consisting of transformation, business as usual projects and saving initiatives.
- 3.9 The Executive-approved governance structure for the transformation portfolio, was implemented by the Portfolio Management Office in April 2024 and ensures that projects and programmes are scrutinised in a uniform way, with exceptions escalated to senior responsible officers to ensure action is taken to bring programmes and projects back on-track, where required and / or necessary.

Adults	Children’s	Property	Customer	Place-based Services	Target Operating Model and Core Services
Improved efficiency of current systems and transformation of delivery model through enhanced early intervention, use of digital technologies, increased reablement and review of accommodation offer.	Improved efficiency of current systems, transformation of delivery model through enhanced early help and prevention, development of new models of placement provision and increased in-house fostering capacity.	A review of Council’s asset holdings to identify short-term opportunities to maximise generation of revenue and capital receipts to support organisational transformation.	Transformation of the organisation’s approach to engaging with our customers and implementation of a customer-centric end-to-end journey, enabled through a behavioural change.	A review of service accessibility to allow more focused delivery and better meet the needs of residents, alongside transformation of the Council’s approach to community engagement with the public.	Design and implementation of a Target Operation Model, alongside a review of the management structure to ensure stability and delivery of core enabling service-related savings.
Programme Sponsor: Director of Adult Social Care and Health Integration	Programme Sponsor: Director of Children’s Services	Programme Sponsor: Director of Regeneration and Culture	Programme Sponsor: Director Finance (S151 Officer)	Programme Sponsor: Director of Environment and Communities	Programme Sponsor: Director of Legal and Governance

- 3.10 The Portfolio Management Office (PMO) has played a vital role in the delivery of the Council’s transformation programme ensuring a structured, consistent approach is applied to programme and project management, contributing to the successful delivery of projects and saving initiatives which has achieved a balanced budget up to 2026/27.
- 3.11 The Middlesbrough Independent Improvement Advisory Board (MIIAB) was established in September 2023 to provide expertise, challenge, and advice against delivery of the revised governance improvement plan as part of the Best Value Notice issued in January 2023.
- 3.12 Members of the MIIAB have attended 10 Thematic Programme Boards since July 2024, in an observer capacity with positive feedback provided on the governance and decision-making process in relation to programmes and projects.
- 3.13 The Best Value notice was removed in July 2024.
- 3.14 The table below presents the transformation themes by RAG-rating, as of February 2025:

RAG	Adults		Children's		Property		Customer		Place-Based		Target Operating Model and Core Services		Total (No.)	Total (%)
Benefits and / or saving(s) realised. Evidence provided.	7	44%	3	20%	0	0%	0	0%	2	10%	0	0%	12	16%
Benefits and / or saving on-track. Assured plans in place.	6	38%	6	40%	3	60%	0	0%	12	60%	13	65%	40	53%
Medium-risk to benefits and / or saving(s). Mitigation in-play, or in development.	1	6%	2	13%	1	20%	0	0%	5	25%	4	20%	13	17%
High-risk to benefits and / or saving(s). Limited scope for mitigation.	2	13%	4	27%	1	20%	0	0%	1	5%	2	10%	10	13%
Benefits and / or saving(s) are undeliverable.	0	0%	0	0%	0	0%	0	0%	0	0%	1	5%	1	1%
TOTAL	16	21%	15	20%	5	7%	0	0%	20	26%	20	26%	76	100%

3.15 The information above demonstrates that 69% (Blue and Green RAG totals combined) of the transformation portfolio has been delivered or is on target to deliver, by the end of the financial year 2024/25.

Internal Audit Opinion

3.16 The most recent internal audit of project management arrangements was in 2023, which determined that a sound system of governance, risk management and control exist, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

3.17 An overall opinion of the controls within the system was of 'Substantial Assurance' in relation to project governance arrangements to support the Council's priorities, with a strong commitment to the PPM framework within the Council.

3.18 Throughout 2024/25, internal audit was provided with monthly transformation progress reports to provide further assurance.

3.19 For context, Appendix One provides detail on a selection of corporate and transformation projects that were successfully delivered during 2024/25.

Improvements delivered during 2024/25

3.20 To support delivery of the transformation programme, the following improvements have been made:

Design and implementation of benefit realisation plans and accompanying portfolio dashboard: these products allow for non-financial benefits and outcomes to be measured and tracked to demonstrate progress, ensuring benefits are aligned with the 2024-27 Council Plan priorities.

Design and implementation of a portfolio level dependency tracker: managed by the PMO, this enables portfolio level dependencies to be better managed and prompt mitigation for programme level risks and interdependencies and improve cross-directorate collaboration.

Review of the portfolio content: to ensure the transformation portfolio is focused on delivering true transformational change, through new approaches to service delivery

design, driving improved efficiencies and the implementation of effective demand management, the portfolio has been reviewed to separate out those saving initiatives from actual change projects, with a proposal to refine the governance arrangements in a pragmatic and proportionate manner.

- 3.21 To ensure the PPM Framework and associated documentation remain current and fit for purpose, a review has been undertaken with improvements implemented, as follows:

Design and implementation of a programme level highlight report: Programme Sponsors and the PMO can now combine monthly progress updates and performance RAG status of programmes and their constituent projects, to feed into monthly programme boards and wider performance reporting arrangements.

Revisions to the Project Workbook: Project highlight reports now have levels of automation, strengthening the oversight and management of key project controls and provides key evidence to inform project health checks.

Further improvement activity planned for 2025/26

- 3.22 Review the current portfolio to ensure there is a clear split between saving initiatives and projects to allow for the appropriate governance arrangements to be implemented.

- 3.23 Further planned improvements for 2025/26 will focus on improving the standards of programme and project management delivery practice through the implementation of enhanced collaboration and training opportunities for PPM staff and a Centre of Excellence model for programme and project management, which will include:

- Establishment of cross-directorate project management champions to review the PPM Framework, documentation to share best practice and propose improvements.
- Refresh of programme and project management training materials, with a roll-out of scheduled training opportunities for Programme and Project Managers and Sponsors.
- Development of a project health check schedule for 2025/26, incorporating transformation projects.
- Proposal of alignment of the corporate and transformation portfolios to ensure all projects receive the same level of scrutiny and governance and that overall PPM performance reporting is consistent.

4. Other potential alternative(s) and why these have not been recommended

- 4.1 Not applicable.

5. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	The Council's approach to transformation is one of the key drivers of the Council Plan 2024-27, to ensure full alignment between the Council's ambitions and spending plans. In outlining an achievable programme of work that delivers performance improvement within reduced resources, the approach to transformation governance will support the Council in delivering value for money in the medium-term.
Legal	The Portfolio Management Office is a vital enabling role in the successful delivery of the Council's priorities and ambitions, directly linked to the achievement of a balanced budget over the next three years, and continue to meet its various statutory duties, including the overarching Duty of Best Value.
Risk	The PPM framework provides for the effective management of programme and project risk, aligning this with the Council's strategic approach.
Human Rights, Public Sector Equality Duty and Community Cohesion	The PPM framework has no direct impact on Human Rights, Public Sector Equality Duty and Community Cohesion.
Climate Change / Environmental	The PPM framework has no direct impact on Climate Change / Environmental.
Children and Young People Cared for by the Authority and Care Leavers	The PPM framework has no direct impact on Children and Young People Cared for by the Authority and Care Leavers.
Data Protection	There are no concerns that amendments made to programme and project management documentation could impact adversely on data protection or GDPR.

Appendices

Appendix	Title
Appendix One	Snapshot of projects delivered and closed in 2024/25

Background papers

Body	Report title	Date
Corporate Affairs and Audit Committee	PMO Six monthly report	06/06/2019
Corporate Affairs and Audit Committee	Annual Assurance Report: Portfolio Management Office (PMO)	25/07/2019
Corporate Affairs and Audit Committee	Performance and Risk Management: Annual Assurance Report 2020	04/02/2021
Executive	Transformation: Governance Arrangements	13/03/2024

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