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CPD

Procurement Guidance Note

PGN 01/09

(as amended)

Procedures and Principles of Best Practice in Programme/Project Management

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PROCUREMENT GUIDANCE NOTES

[Northern Ireland Public Procurement Policy \(NIPPP\)](#) was approved by the Northern Ireland Executive in 2002. In approving the policy, the Executive took the decision that legislation was not necessary to ensure that Departments, their Agencies, Non-Departmental Public Bodies and Public Corporations complied with the policy. Instead, it considered that compliance could be achieved by means of administrative direction.

Procurement Guidance Notes (PGNs) are the administrative means by which Departments are advised of procurement policy and best practice developments. They apply to those bodies subject to NIPPP and also provide useful guidance for other public sector bodies.

PGNs are developed by the Central Procurement Directorate (CPD), in consultation with the Centres of Procurement Expertise (CoPEs), and are subject to the approval of the Procurement Board.

Once endorsed by the Procurement Board, they are issued to the Departments for implementation and copied to CoPEs to develop, if necessary, underpinning procedures supporting the implementation of this guidance in their particular sector. PGNs are also published on the [DFP website](#).

The following PGN was endorsed by the Procurement Board with effect from 17 June 2009 for use by those bodies subject to NIPPP.

Revision History

First issued as a Procurement Guidance Note	17 June 2009
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Definition of Terminology

The term **Department** has been used to refer to those bodies subject to Northern Ireland Public Procurement Policy including Departments, Non-Departmental Public Bodies and Public Corporations. A full list of such bodies is available in Annex A of the [Northern Ireland Public Procurement Policy](#).

1 PURPOSE

- 1.1 This guidance is designed to outline the requirements for the management of programmes and projects within the Northern Ireland public sector.
- 1.2 This guidance also refers to the Programme and Project Management and Assurance (PPMA) website which constitutes a key resource for anyone with a role or interest in Northern Ireland public sector Programme and Project Management (PPM). The site includes templates, tools and techniques, news of current developments and events together with links to other relevant websites. Further information can be found on the [PPMA website](#).

2 REQUIREMENTS FOR PROGRAMME AND PROJECT MANAGEMENT

2.1 A **programme** delivers benefits to an organisation through change, based on an agreed vision of how the organisation or business will look in the future. Managing a programme involves co-ordinating the products and capabilities produced by its projects to move the organisation through the change process and deliver the projected benefits. Programmes connect the delivery of change to the strategic objectives and direction of the organisation. Programme Management is designed to guide the organisation through this dynamic environment, refining and re-focusing as necessary along the way. Programmes are concerned with delivering outcomes whereas projects are focused on outputs.

2.2 A **project** is a set of agreed activities with a defined start, middle and end. Together these activities produce business products or services in line with an approved business case which is sponsored by senior managers within the organisation. Project Management provides structure and control of the project environment so that the agreed activities will produce the right products or services to meet the customer's expectations. Projects are temporary structures which must be properly managed and controlled in order to meet their stated objectives. They are usually delivered in an environment where both funding and resources are constrained and subject to competition.

2.3 All programmes and projects are about delivering change and will often involve complexity, risk and the need to manage different stakeholder interests. This can be achieved through a structured approach which draws on tried and tested methods and processes. Therefore, the Procurement Board considers it critical that projects and programmes are managed in accordance with this guidance.

CPD will provide advice and support to those involved in programmes and projects through its Centre of Expertise (CoE) for PPM, including for example tailored workshops on a range of PPM topics and activities.

3 LEADERSHIP AND RESPONSIBILITY

3.1 Successful programmes and projects require clear, active and visible leadership from 'the top'. Overall responsibility for delivering the business objectives and benefits of any programme or project must be vested in a single, responsible and visible individual, the Senior Responsible Owner (SRO). The SRO is the owner of the overall business change that is being delivered by the programme or project. For corporate or cross-cutting programmes and projects a single SRO must be appointed to take responsibility for the initiative and must be recognised as the owner across all organisations involved.

3.2 The role of the SRO can be summarised as follows:

- is a named individual with ultimate responsibility and accountability for the outcome of the programme or project;
- is the key decision maker, chairing the programme or project board;
- has 'ownership' of the business case;
- is responsible for the realisation of business benefits arising out of the programme or project;
- ensures that appropriate PPM skills and experience are in place; and
- ensures that appropriate and timely post-programme or project evaluations and reviews are carried out and documented.

3.3 In line with 'Managing Public Money Northern Ireland', Departmental Accounting Officers are responsible for the selection and appraisal of programmes and projects within their Departments, their Agencies, Non-Departmental Public Bodies (NDPBs) and Public Corporations. They are ultimately responsible for ensuring that programmes and projects are managed using PPM best practice methods and for engagement with the NI Gateway™ Review process. In terms of PPMA, this responsibility is delegated down to the SRO for each programme or project. It is the SRO's responsibility to ensure that their programme or project is managed in line

with current policies and guidance, making sure that all options are investigated to deliver value for money to the organisation and that the benefits anticipated in the Outline Business Case (OBC) are fully realised. In relation to infrastructure projects, the SRO will establish a project plan and report progress against the project plan via the Investment Strategy for Northern Ireland (ISNI) Delivery Tracking System.

- 3.4 Individuals assuming the SRO role must complete relevant training, such as the CPD SRO Master Class and should be proactive in providing leadership and direction throughout the life of the programme or project. For these reasons it is important that, as far as possible, the SRO role should be fulfilled by the same person for the duration of the project or programme. Further information on the [SRO's roles and responsibilities](#) is provided on the PPMA website.
- 3.5 The PRINCE2[®] project management methodology emphasises the point that the programme or project board is not a democracy controlled by votes. The SRO is the key decision maker, taking advice and challenge from board members, but ultimately remaining accountable for decisions taken. [Lessons learned](#) on the role of the SRO and the role of programme and project boards, under guidance previously published by the Office of Government Commerce (OGC), along with a series of more general lessons, can be found on the PPMA website.

4 MANAGEMENT METHODOLOGIES

- 4.1 For programme management, the recommended standard for the Northern Ireland public sector is [Managing Successful Programmes \(MSP®\)](#). The [PRINCE2®](#) methodology should be used for project management generally. For construction projects the principles and procedures set out in the [Policy Framework for Construction Procurement](#) should be followed. This has been developed specifically for use in construction works projects in Northern Ireland and is based on the Procurement Board's Achieving Excellence in Construction (NI) initiative.
- 4.2 These methodologies are designed to be flexible and should always be applied with proportionate effort. It is not expected that every aspect will be applied in every instance.
- 4.3 The Northern Ireland Departments entered into a five year corporate partnership with Association for Project Management (APM) in April 2013. Therefore, programme and project managers should be aware of the work and advice given by APM in its Body of Knowledge. This provides programme and project managers with an additional source of information which may be useful. Access to the APM Body of Knowledge can be obtained by contacting CPD at coe.cpd@dfpni.gov.uk. General information about APM can be found at the [APM website](#).

5 SKILLS AND EXPERIENCE

It is important that people leading, managing and working on programmes and projects are able to carry out their roles effectively. In addition to being clear on their responsibilities, staff must also have the relevant competencies associated with their role. These can be acquired through experience and training and there are a range of courses designed to provide training in the relevant competencies, available through [Enterprise Shared Services, Centre for Applied Learning](#). SROs must ensure that staff undertake training to the appropriate level. CPD can [advise](#) on what level of training is relevant in specific circumstances.

6 INTEGRATED ASSURANCE PROCESS

In line with the Cabinet Office's Major Projects Authority (MPA), Northern Ireland has adopted a tailored version of the Integrated Assurance Process (IAP). Full details of the [MPA IAP](#) can be found on the MPA website. In Northern Ireland, the following components are now part of the wider Northern Ireland programme and project IAP:

- Starting Gate;
- NI Gateway™ Review;
- Project Assessment Review (PAR); and
- Assurance of Action Plans (AAP).

Details of the components are provided in Sections 7 to 10.

7 STARTING GATE

The purpose of Starting Gate is to help Departments identify practical issues early in the policy-to-delivery lifecycle. Starting Gate will help to set up programmes and projects to succeed from the outset, normally well before project delivery gets underway, and usually at or before the development of the Strategic Outline Case (SOC). In Northern Ireland, this will only be used as and when it is appropriate. Further information is available from CPD's Centre of Expertise (CoE) for PPM and from the [Cabinet Office website](#).

8 THE NI GATEWAY™ REVIEW PROCESS

- 8.1 This process is a key assurance mechanism designed to provide an objective view of a programme or project's ability to deliver on time and to budget. It is not part of the programme or project management process. The Gateway™ Review Process is managed in Northern Ireland by CPD which is the local

Authorised Hub. Further guidance is available on the [Gateway™ Review Process](#).

All programmes and projects are required to complete a [Risk Potential Assessment \(RPA\)](#) which should be validated by CPD or the Head of the Departmental Programme Office. However, Departments and organisations may decide on a *de minimis* cut off point, below which an RPA may not be required, but must do so on the basis of a full understanding of the implications and be accountable for their action. *De minimis* limits should be approved by the Departmental Accounting Officer in consultation with the Head of the appropriate CoPE.

- 8.2 Where a programme or project is above the *de minimis* limits, an RPA should be completed and forwarded to CPD for agreement at gateway.cpd@dfpni.gov.uk. If a risk level of medium or high is confirmed, CPD will make arrangements on behalf of the SRO for an NI Gateway™ Review, using an experienced and impartial review team. Where the programme or project is designated low risk, an internal peer review should be undertaken, in line with Gateway™ principles, by an independent team appointed by the Department. RPA forms should be refreshed and resubmitted to CPD at each Gateway™ milestone.
- 8.3 In the event of a disagreement continuing between the Department and CPD in relation to a Department's determination of risk levels, even after escalation, the matter should be referred to the Departmental Accounting Officer and Director of CPD for resolution.
- 8.4 The Director of CPD plays a key role in the governance of the Gateway™ Review process which includes:
- having sight of all review reports, under direction from the Procurement Board, for the extraction and communication of lessons learned; and
 - writing to the relevant Departmental Accounting Officer drawing their attention to high risk reviews that receive a 'Red' delivery confidence outcome and outlining appropriate actions, including the application of AAP.

9 PROJECT ASSESSMENT REVIEW

9.1 A Project Assessment Review (PAR) is a flexible assurance review which is available to a programme or project when specific assurance needs arise. A Terms of Reference is necessary to direct the review. The PAR process is managed in Northern Ireland by CPD.

9.2 A PAR is typically used when:

- CPD and the programme or project team are in agreement that the Gateway™ Review process is not readily applicable, due to the characteristics of the programme or project; and
- a programme or project is in difficulty and further investigation and analysis is required.

10 ASSURANCE OF ACTION PLANS

If a high risk programme or project receives an 'Amber/Red' or 'Red' delivery confidence rating following a Review, an Assurance of Action Plan (AAP) review must be undertaken within six months. This is normally led by a member of the original team, with additional external support. AAPs are used to provide extra assurance to the SRO that the recommendations of the original review have been actioned and the Delivery Confidence rating has been improved.

11 FREEDOM OF INFORMATION ACT AND THE ASSURANCE PROCESS

- 11.1 When a request for information has been received (whether under Freedom of Information or Environmental Information Regulations) seeking access to Integrated Assurance Process (IAP) review reports (as outlined in Sections 7 to 10), consideration should be given to the factors affecting the balance of public interest; that is, whether the public interest is better served by releasing or by withholding the information. Cabinet Office guidance states that if two years have passed since the date of the IAP review, then the information relating to it should normally be released. If documentation is to be released, care must be taken to ensure that any individual aspects of sensitive information contained within the documentation are not inadvertently released. If such aspects are contained within the documentation, and they are subject to exemptions/exceptions under the respective legislation, then these aspects should be redacted stating which exemption/exception is being applied.
- 11.2 Practical guidance setting out working assumptions on information release for Gateway™ Reviews was produced by the Ministry of Justice and can be accessed in the [National Archive website](#). CPD's CoE for PPM can also be contacted if further information is required.

12 FURTHER INFORMATION

Any queries on this guide should be addressed to:

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