

**Major Projects Authority: What we are doing to help  
Departments Improve Project Execution**

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<http://www.concept.ntnu.no/english/>



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# Project Governance: The Latest Developments in the UK

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# Right projects, Done right



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## I will cover:

- The Major Projects Authority:
  - Why?
  - Priorities.
- The challenge;
- Five priority buckets:
- People:
  - Developing;
  - Deploying;
  - Informing judgements.



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# The Major Projects Authority

*“A project that starts poorly never improves”<sup>1</sup>*

- Two thirds of Government projects failed pre 2010;
- The Major Projects Review 2010 highlighted:
  - A lack of central oversight.
  - No understanding of the scale of the undertaking – the number, size or complexity of Government projects.
  - Little accountability or responsibility for underperformance.
  - Little collaboration between the departments and the centre.
  - Lack of effective senior project leadership capability.
  - Previous performance no longer acceptable.

The Prime Minister’s mandate means that MPA now has much greater control, influence and oversight of major projects

1 – *Getting a Grip: how to improve major project execution and control in government* (Lord Browne)



# MPA Priorities

## ‘Right projects, done right’

- Challenge, Assure and Support – Providing expert advice and support to Departments ensuring the delivery of major projects
- Create Project Based Controls through Alignment – Providing project teams space to ‘get on and do’ projects
- Building Long Term Capability – Continuing to build a cadre of experienced Project Leaders
- Building the Profession – Ensuring that the Civil Service is the ‘place to come’ for project delivery professionals
- Strategic prioritisation and Front end loading – Having the right conversations about Department portfolios / ensuring projects are only started when they are ready



# Challenge, Assure, Support

## Action – Challenge, Assure, Support

- 230 Assurance Reviews / 30 Follow-up Reviews in the last 12 months

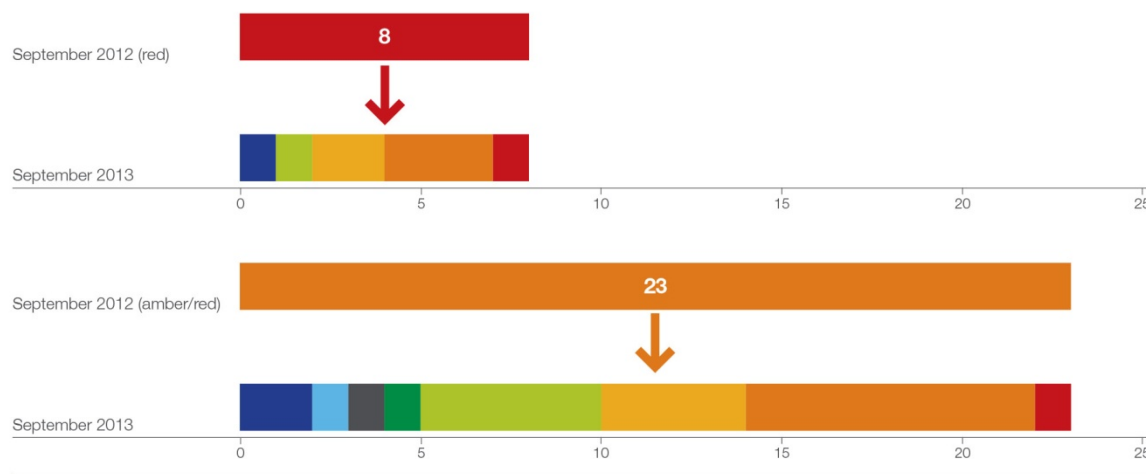


Figure 8

The improvement in delivery confidence of those projects rated red or amber/red in September 2012

Green Amber/green Amber Amber/red Red Leavers<sup>1</sup> No DCA<sup>2</sup> Exempted<sup>3</sup> Reset<sup>4</sup>

- Half of the projects faced the most significant challenges

- amber/red (23)
- red (8)

- Show improved delivery confidence



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# The challenge





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## GMPP in numbers

**199** projects

**£488bn** whole life cost<sup>2</sup>

**£19bn** 2013-14 budget

**28%** scheduled to complete by September 2014

**76%** scheduled to complete by the end of the decade

**24%** scheduled to complete in the 2020s or 2030s

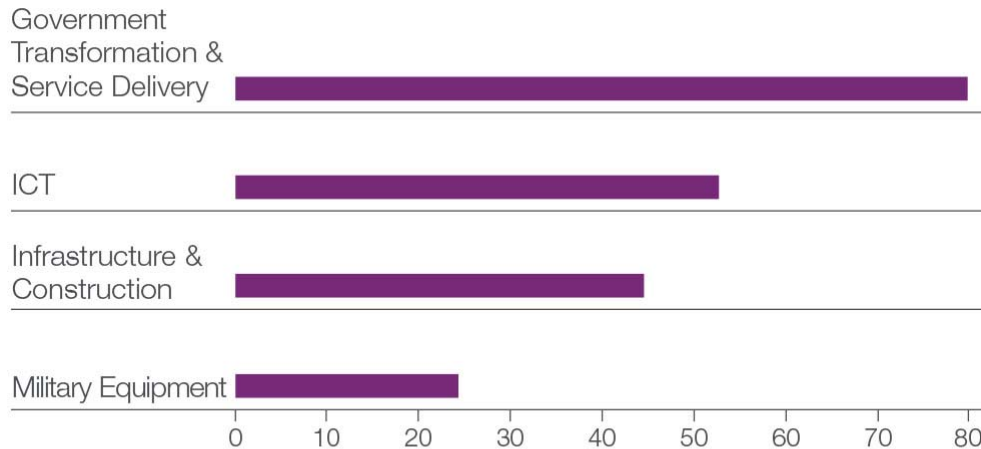
### Largest investments:

Military equipment, energy generation and efficiency,  
and railway infrastructure represent

over **65%** of the whole life costs of the portfolio



## Project by project type

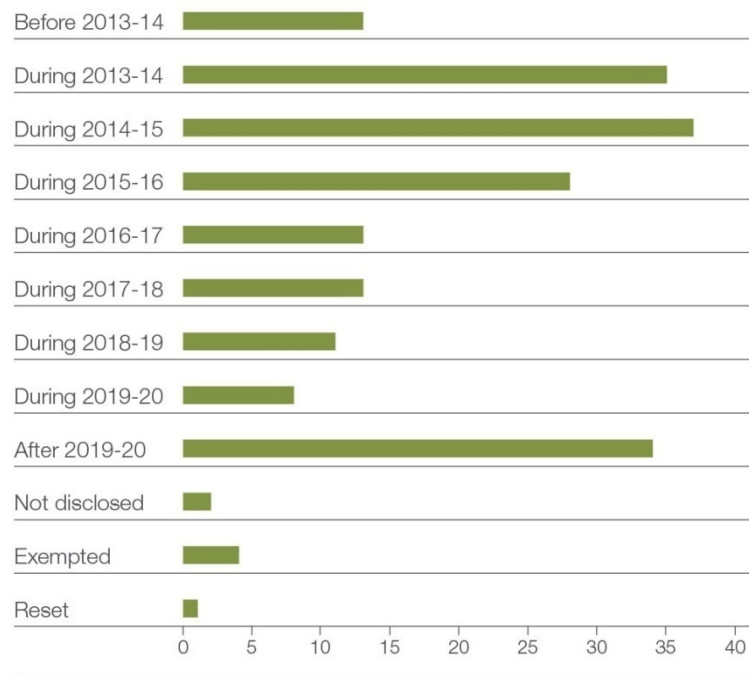


**Figure 3**  
The distribution of projects by project type

- The impact and significance of projects is not, however, illustrated by cost alone
- Major projects are not all about infrastructure or military equipment
- The majority of our projects consist of programmes to deliver transformation



## Projects by completion date

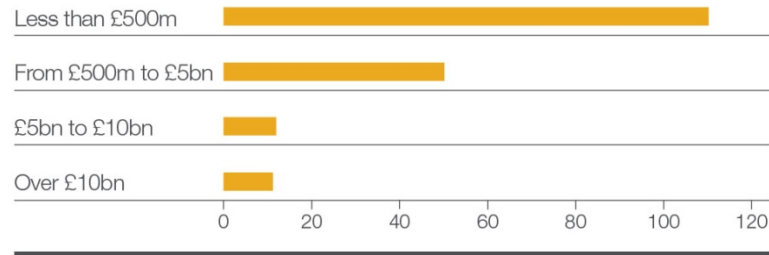


**Figure 4**  
The distribution of projects by completion date

- The projects in the GMPP vary significantly in length
- Thirty-five of our projects are not due to complete until after 2020
- Some, such as the Successor Nuclear Deterrent submarines, are scheduled to run well into the 2030s



## Distribution of Whole Life Cost

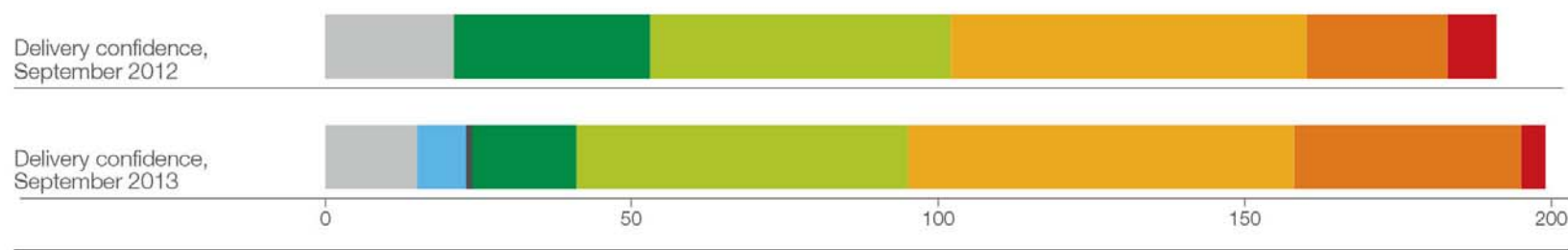


**Figure 5**  
The distribution of projects by whole life cost

- The projects in the GMPP vary significantly in cost
- Across government, the range of projects that we are delivering therefore covers a range of scale, length and type, bringing with it a similar range of challenges that must be overcome



## Distribution of projects by DCA



**Figure 6**

The distribution of projects by delivery confidence assessment in September 2012 and September 2013

Green Amber/green Amber Amber/red Red Leavers<sup>1</sup> No DCA<sup>2</sup> Exempted<sup>3</sup> Reset<sup>4</sup>

- A spread of confidence in delivery, with the highest proportions of projects rated amber and amber/green in both years
- An increase in the percentage of projects rated amber/red and a decrease in the percentage rated green



# Distribution of projects joining and exiting GMPP



**Figure 7**

**A comparison of the delivery confidence assessment of projects that have joined the GMPP this year, compared with those that exited**

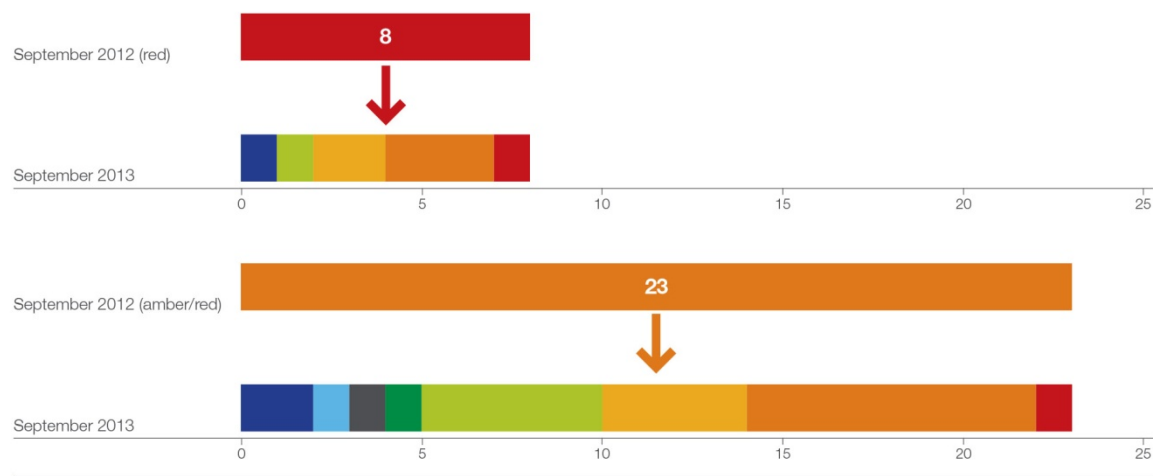
Green Amber/green Amber Amber/red Red Leavers<sup>1</sup> No DCA<sup>2</sup> Exempted<sup>3</sup> Reset<sup>4</sup>

- The main reason for change in the overall DCA profile this is that 47 new projects joined the GMPP and 39 left

- The majority of new projects are in early stages of planning and have lower delivery confidence



## Improvement in DCA of 2012/13's amber/red - red projects



**Figure 8**  
The improvement in delivery confidence of those projects rated red or amber/red in September 2012

- Half of the projects faced the most significant challenges

- amber/red (23)
- red (8)

- Show improved delivery confidence



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# DCA by department

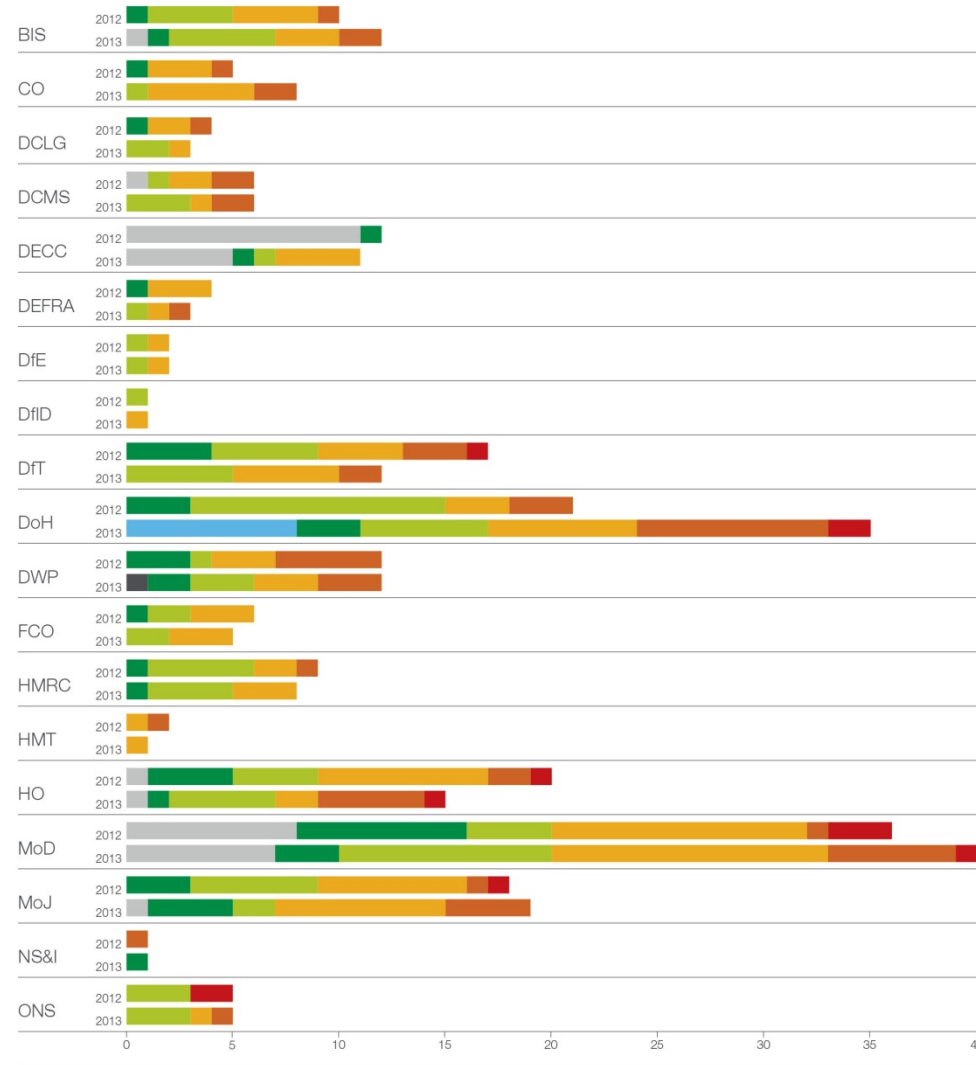


Figure 9

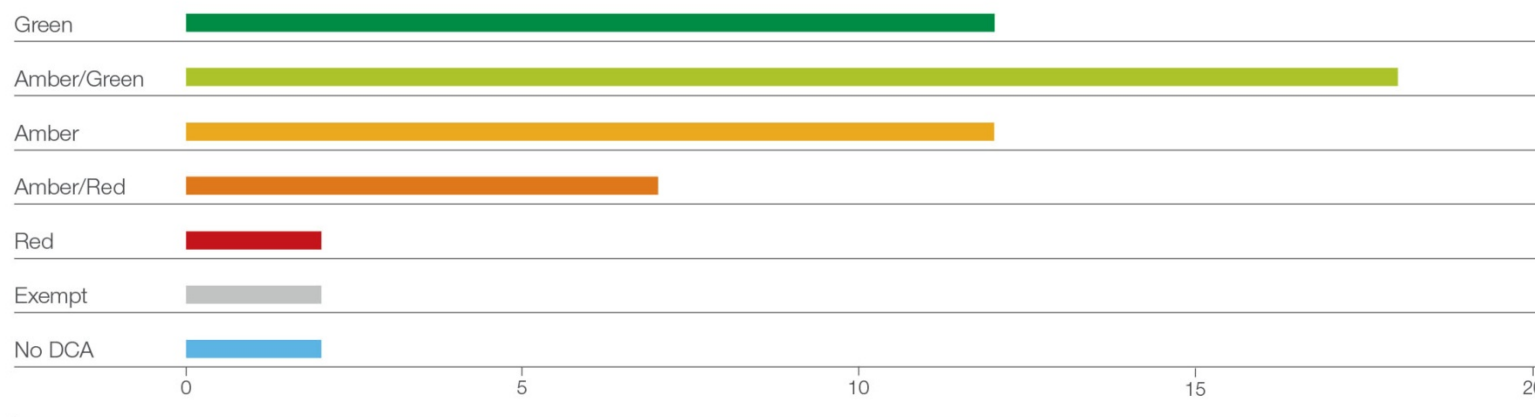
**The delivery confidence assessment of projects by department.** The projects being delivered by departments change from year to year, as some projects leave and new projects join the GMPP. The data in figure 9 does not therefore show a comparison for any given department between the same projects.

Green Amber/green Amber Amber/red Red No DCA<sup>1</sup> Exempted<sup>2</sup> Reset<sup>3</sup>





# Delivery confidence assessment of projects set to complete Sept 2014



**Figure 11**

The delivery confidence assessment in September 2013 of the projects scheduled to complete by September 2014



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# Why people matter

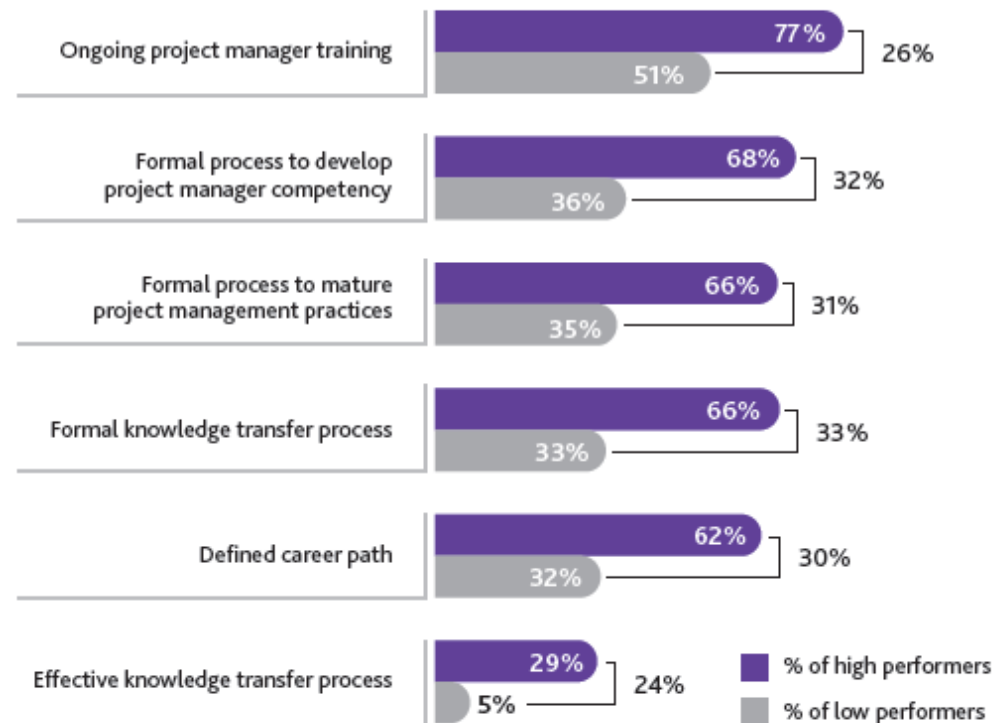
## Talent Management Leads to Success



Source: PMI' Pulse of the Profession: The High Cost of Low Performance, 2014,



## Talent Management



Source: PMI' Pulse of the Profession: The High Cost of Low Performance, 2014,



## We are developing capability at several levels





# Capability

## Vision - Delivering Successful Projects and Programmes

- Create a world class cadre of project professionals who are properly trained to lead each of our major projects, using the Major Project Leadership Academy
- Increase project leadership capability for priority projects at the tier below GMPP, through Project Leadership Programme
- Ensure we have the right SROs and project directors in place who have the autonomy and flexibility to deliver their projects



# Capability

## Actions – Major Projects Leadership Academy (MPLA)

- Any analysis of successful project execution identifies the single most important contributor as outstanding project leadership
- In 2012 the MPLA was set up to create a recognised cadre of experts who can move across government to deliver major projects
- To date:

	Today		End 2014	
	Enrolled	Graduated	Enrolled	Graduated
MPLA	250	47	340	100



# Capability

## Actions – Project Leadership Programme (PLP)

- We are also committed to developing future project leaders by launching the PLP
- PLP is a challenging and demanding programme which will develop project leadership skills for priority projects (below GMPP)
- The PLP competency framework focuses on three key domains – Leadership of Self, Commercial Leadership and Technical Project Leadership
- Key Information:
  - Pilot starts – Oct14 / Contract let – Mar15 / PLP launch – Summer 2015
  - Max ~300 participants year



# Capability

## Actions - Accountability and Responsibility

- Project leaders need to be empowered to get the job done, we currently have:
  - complex accountability structures
  - unclear lines of responsibility
- We are increasingly clarifying the accountability and responsibility of project leaders with formal letters of appointment, explaining:
  - the role
  - accountability
  - tenure
- With a full understanding of remit, SROs will be able to have more rigorous discussions with decision makers





# Profession

## Vision - Project and Programme Delivery

- Government has the most exciting and diverse portfolio of projects in the country. The UK Civil Service should be the place 'to-go' for all project delivery professionals
- Provide strong and effective strategic leadership of the profession, across departments
- Promote and enhance project delivery capability across Government



# Profession

## Actions - Project and Programme Delivery

- Get the governance right – to deliver clear leadership and direction across the profession
- Build a recognised project delivery community creating a sense of both identity and pride
- Clearly define, relevant and appropriate competency framework, supporting a consistent, transparent and portable career / learning path.
- Commission the profession's curriculum to meet identified needs, support corporate prioritisation and to enhance and build capability to deliver projects across government
- Through our talent management strategy ensure that project delivery professionals are identified, supported, developed, and rewarded



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# Strategic Prioritisation / Front end loading

## Vision – Strategic Prioritisation

- Make the right decisions about the projects portfolio based on a holistic understanding of resourcing, constraints, risk and interdependencies
- Identify underperforming projects early and intervene where necessary to turnaround, disaggregate or cancel these projects
- Inform transition discussions around the department's project portfolio in advance of, and following, the 2015 election

## Vision – Front end loading

- Ensure that the initiation phase of a project is undertaken rigorously and only the right projects are started, by assessing:
  - alignment with policy priorities, deliverability, benefits and risks, and that delivery options are flexible



# Strategic Prioritisation / Front end loading

## Actions – Strategic Prioritisation

- Working with project teams to staff the right conversations at the Executive Board level
- Co-ordinating cross departmental working groups to facilitate learning across departments
- Working with 6 key departments to ensure that the capability to do this is embedded. They are: DWP, MoJ, HO, HMRC, DECC and DH

## Actions – Front end loading

- All projects new to the GMPP are subject to an entry review called a Project Validation Review of which there have been over 20 in the last 12 months
- Strengthening entry reviews with HMT and departments



## Strategic Prioritisation and Front End loading

### **Executive Boards are able to have conversations about the issues which underpin the Department's strategic decision making:**

- What is the landscape (number, characteristics, status and level of aggregation of each project) of the department's current projects portfolio?
- How does the projects portfolio, and each individual project, align with and support the delivery of the department's strategic objectives?
- What is the through-life cost, funding, and resourcing profile of the department's projects portfolio?
- What are the constraints to delivering the department's projects portfolio, and what are we doing to address these constraints?
- What are the interdependencies within the department's projects portfolio, and how are we managing the impact of these interdependencies?
- What are the major risks against the department's projects, at both the project and cumulative portfolio level, and how are we managing these risks?
- What is the department's future pipeline of projects, and how will those projects be integrated into the portfolio?
- What is the department's prioritisation of projects, and how have we prioritised these projects?
- How effective is the existing governance structure for both individual projects and the portfolio as a whole, and what mechanisms exist for ongoing review and management of the portfolio?
- Does the department have a culture that encourages openness about issues facing both individual projects and the portfolio as a whole, and action on the basis of any concerns?



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