

Scarborough Borough Council



Project Management Guidance

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Version 3.03

A. General Introduction to Project Management

This purpose of this document is to provide an overview of the processes involved with project management. You will find guidance, tools and documentation required for effective project management. Clicking on the links in this document will take you to the relevant documentation you will need.

A.1. What is Project?

“Something which has to be delivered at a specific point in time by bringing together various people and resources to make it happen”

A.2. What is ‘Project Management’?

“Project management is a structured way of working to manage a series of activities to deliver a required outcome. It ensures that everyone involved knows what is expected of them and helps to keep cost, time and risk under control.”

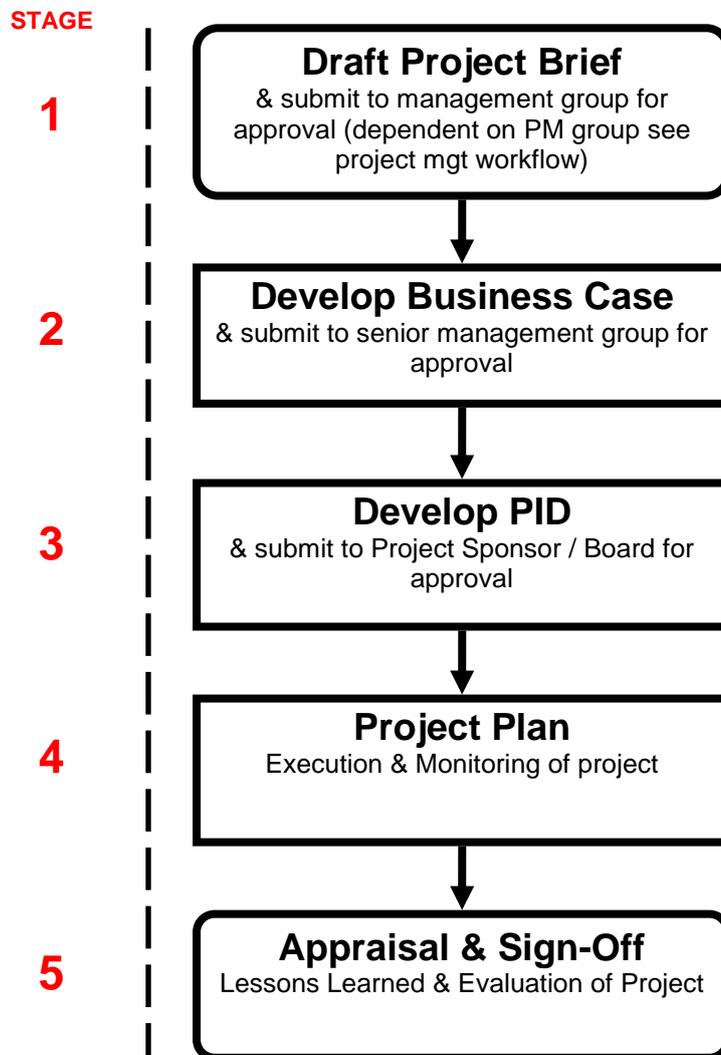
A.3. The need for Project Management @ SBC

You will be required to follow this guidance for all projects with a total project value of over £50,000. You may wish to follow this guidance for smaller projects as best practice. It should be stressed that this is about ‘guidance’ and that whilst there are some areas that are essential (e.g. approval of finance by Cabinet/Council), you should use this guidance ‘intelligently’ and seek to use what works/is necessary for the relevant project. All projects however should follow the broad 5 stages that are set out in this guide.

The Need for Project Management	Why do Projects Fail?
<ul style="list-style-type: none">▪ Define why the project exists▪ Define what the project aims to achieve▪ Illustrates how the project is to be completed▪ Provides structure - who is involved including accountabilities▪ Identification of risks and costs▪ Identification of individual roles and expectancies	<ul style="list-style-type: none">• Poor planning• Poor leadership• Poorly justified business case• Lack of project experience• Inadequate controls• Lack of Resources

B. What You Need to Do

The 5 key steps to project management are illustrated in the diagram below, and a full workflow of all the steps and decision making bodies involved from beginning to end are shown in the diagram at the end of the document (Scarborough Borough Council – Project Management).



B.1. Stage 1 – Project Brief

This is the idea or request of what needs to be done or achieved. You will need to complete the [Project Brief Document](#)

B.1.1. The project brief forms the basis of subsequent documentation and gives direction and scope of the project. It forms the contract between the project management team and corporate management.

The project brief defines the project objectives and is a description of what the project is to achieve.

This is the Authorising initiation stage of a project.

The project brief is really an ‘Outline’ Business Case.,

B.1.2. Project ‘People’ – The various people at the different levels and stages that are required for delivery, management, monitoring & supervision of projects. The following table describes the different roles of people involved in projects

Project Sponsor / Board	the body to which the project manager directly reports for deliverability, issues, changes or deviation from the project plan, authorisation etc
Project Manager	the person who has day to day coordination and responsibility for the project
Project Team	identified individuals to assist with the delivery of the project

This will need to be approved by a Head of Service before proceeding to the next stage.

B.1.3 A document has been produced to provide clarity in terms of the role and membership of the Project Board and Project Team set up to help in the delivery of a project. Please refer to paper on [Project Board composition](#).

B.2. Stage 2 – Business Case

B.2.1. This is a more detailed evaluation of the proposed project. This will explore in more detail all aspects of the project including justification, risks, funding, resources, options appraisal, timescales etc. For this you will need to complete a Business Case Document

B.2.2. Approvals:

This will need to be approved by Head of Service who will then submit it to either:

- Project Management Unit (centre of Excellence)
- Service Transformation Group – For IT related projects
- Capital Strategy Group – for all other Capital Projects
- Corporate Management Team – for any other project that does not fall into the “IT”/“Capital” categorisation and where an approval is considered necessary

B.2.3. Cabinet / Council

Any required approvals from Cabinet and Council should be sought at this stage, with a report prepared for Cabinet. However, it should be stressed that where the “project” is a new one, and it involves additional budgetary provision, it should be considered as part of the Financial Strategy development and would need to be subject to corporate prioritisation. Schemes cannot be submitted to Cabinet in an ad hoc manner, unless there are exceptional reasons for this

B.2.4. Capital Projects

To commence projects, especially capital projects, proof of Authority will be required. To obtain approval to commit to expenditure, Finance requires the submission of a Project Management Statement, enclosing the PM documents contained within the framework. This statement is countersigned by the S151 Officer to authorise expenditure on the project. Legal Services require an Authority to enter into contract, usually obtained from a Head of Service, Individual Cabinet Member, Cabinet or Full Council as appropriate under the Constitution. To request Legal services to execute a contract a Statement of Authority should be completed.

B.2.5. Considerations / Completing the Business Case

The following issues will need to be covered in the Business Case:

- **Reasons** – Why the project output/outcome is needed
- **Options** – record the different ways the project could be delivered and recommending preferred option.
- **Benefits** – improvements gained from doing the project
- **Risk Analysis / Management** – identifying the issues that may prevent the successful achievement of the project. It will also quantify the risk and identify potential preventative and corrective actions. (Please refer to [Risk](#)

[Analysis Guidance](#).) The risk matrix should evolve, and should be reviewed regularly by the project team.

- **Timescales** – proposed timing for the implementation of the preferred option with key milestones identified
- **Cost Benefit Analysis** – detailed financial breakdown of the project and evaluation of the overall tangible and intangible benefits of undertaking the project. (Please refer to the example [Cost Benefit Analysis](#).)
- **Investment Appraisal** – Evaluation of the investigation into the outcomes of the project.

B.3. Stage 3 – Project Initiation Document (PID)

Once approvals have been received (see above) you must complete a PID before commencing delivery of the project. The PID is a practical working document detailing:

- What is the project aiming to achieve
- Why the project is to take place
- Who is involved in the project – making it clear about the respective roles (Sponsor, Manager, Team)
- When is it going to take place

Please refer to the blank SBC [PID](#). This must be approved by the Project Sponsor / Board. Elements of the PID include the background (main points can be taken from the Business Case) and include the full proposed project team members. In addition, other information should either be detailed within the PID or appended to it, such as:

B.3.1. Communications Plan – To define all parties with an interest in the project and the means and frequency of communication between them and the project. It also reflects the information needs and timing between the project stakeholders, project manager, project board and any other interested parties. Please refer to the blank [Communications Plan](#)

B.3.2. Change Management Protocol

Proposed changes may reflect any of the following:

- Risk register/issues log (identified risks)
- Legislative changes
- Corporate
- New customer / supplier
- Change of project management team
- Reorganisation
- Specification reductions/increases for cost or programme reasons

At the outset roles and authorities should be identified as to who may originate a change and who may approve a change. The Project Manager may be assigned a 'financial' or 'time' threshold by the Board within which they have authority to implement a change. Outside of these thresholds approval of changes may be escalated to the Project Board. The Change Management Document should be completed defining the proposed change and its effects on the Project:

- Evaluate the proposed change in terms of project impact, cost, time and quality against the original project objectives. Consult with Stakeholders.
- Identify the source of funding. Is the project budget being increased? Is it coming out of a contingency fund?
- Project Manager to make a decision, or if impact threshold is above the delegated level of the Project Manager's authority, then escalate to Project Board.
- Accept or reject proposed change. Record decision.
- Maintain a record of all changes

Please refer to the blank [Change Management Document](#)

B.3.3. Issue / Risks Log – this will have been highlighted in the Business Case, but a log of the risks and what has been managed should be kept within your working PID. Please refer to [Risk Analysis Guidance](#).

B.4. Stage 4 – Project Plan / Monitoring

This is usually an illustrative document identifying:

- All tasks to be completed
- Identified resources
- Financial budget
- Change budget
- Tolerance (time / cost / quality)
- Issues / Risks
- Contingency

In some cases this may be a Gantt chart but it can be any tool you find useful for managing and monitoring the progress of your project. There is an example of an 'action plan' based [Project Plan Control Sheet](#) which you may want to make use of. If you require assistance using this sheet (excel) please ask Deputy IT Manager, ICT Services.

The project manager must maintain this document and provide regular update reports to the project sponsor (frequency as determined in the communication plan as part of the PID).

B.5. Stage 5 – Project Completion / Appraisal

B.5.1. A project can end at any stage via a decision to abort, or after completion of the said project. Either way, abortion/completion must be communicated to the project team and a full review and appraisal should take place. Appraisal should be a review of all aspects of the project from start to finish, whether it made it through to full completion or not

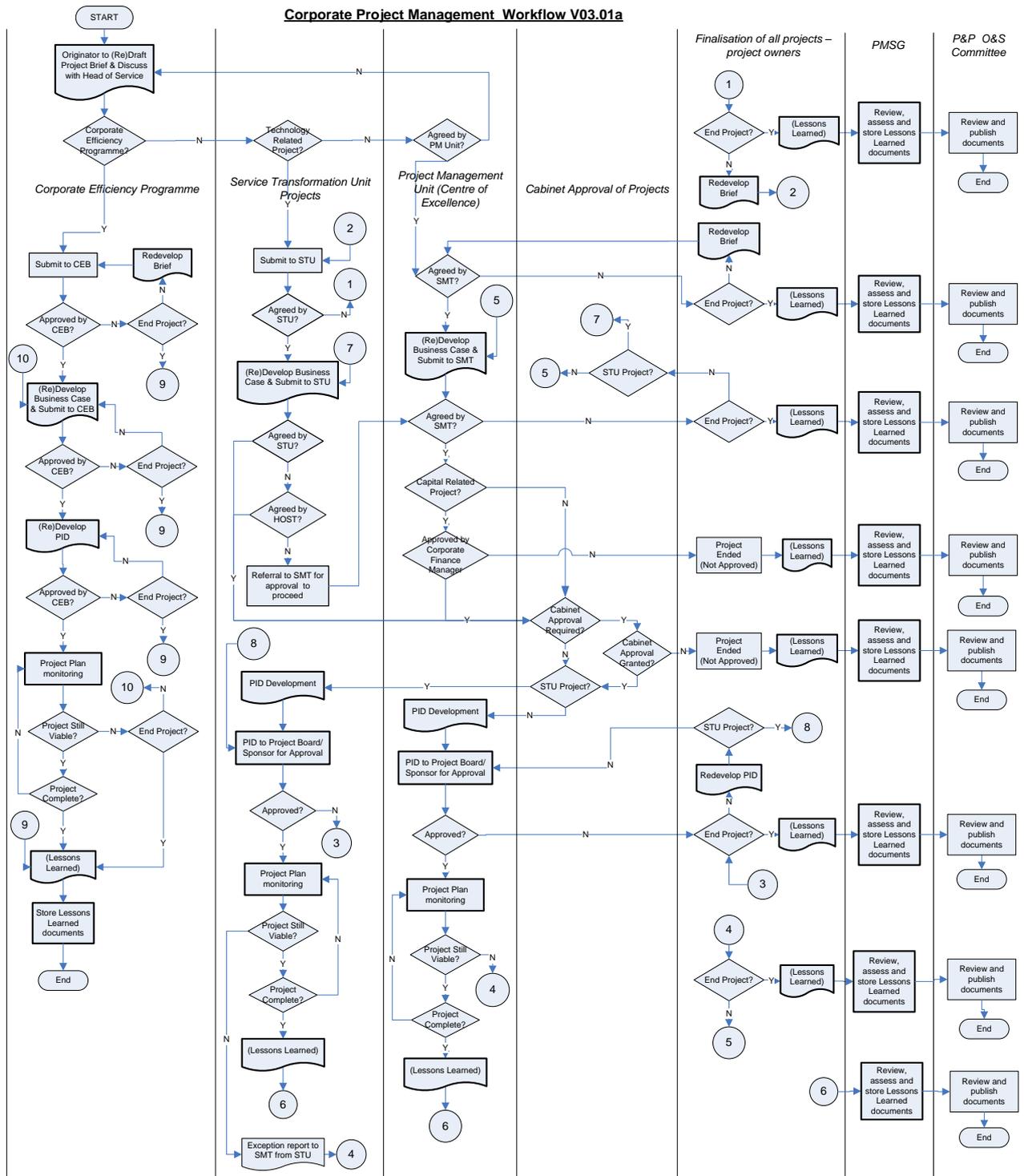
B.5.2. It could consider the following factors:

- What went well?
- What didn't go well?
- Were the outputs and outcomes achieved?
- Was value for money achieved?
- Was implementation realistic and targets met?
- Were the right people involved in the right stages?
- Methods / Tools Used?
- Recommendations?
- Were there any exceptional events which caused a problem?
- Any quality Statistics (completed projects only)

B.5.3. You must complete the formal Project Appraisal & Sign-Off document and forward it to the relevant group that approved the project initially, within 2 months of completion/abortion of the project

B.5.4. Please also note that for all capital schemes with a value of above £250,000 additional requirements apply in relation to monitoring and project completion, and these are included within the 'Financial Regulations' as part of the Constitution (which can be viewed on the SBC web-site or the SBC intranet).

C. SBC – Project Management Workflow (Decision Making Procedure)



Appendix 1 - Amendments & Authors

Version	Date Amended	Section	Detail
1	August 2007		First Version
2.01	July 2007	Stage 3	<ul style="list-style-type: none"> • Inclusion of Project Team table in PID • Expansion on guidance to support PID elements • Inclusion of Communications Plan guidance & document link • Inclusion of Change Management Guidance & document link
		PM Workflow	Change in process to reflect true process
2.02	12 Aug 07	PM Workflow	Change in process to reflect true process
2.03	04 Aug 07	PM Workflow	Change in process to reflect true process
2.04	17 Oct 08	Stage 2 – authorisation requirements	To indicate where approval from Cabinet would be required, and more specifically for Capital projects
2.04	17 Oct 08	Change Mgt Protocol	Inclusion of change management protocol
2.05	17 Nov 08	PM Workflow	Change in process to reflect organisation changes Inclusion of a '5 Key Stages' Workflow at introduction
3.00		All	Document restructured and improved in terms of layout and numbering of sections. No major content changes.
		Project Brief Section expanded	
3.01	01 July 09	Project Boards paper (agreed July 07 at PMSG)	Paper completed by JR and agreed at DTM
3.02	01 July 09	Corporate PM Workstreams	Amended flowchart to reflect the authority's three project management Workstreams
3.03	26 November 10	General Introduction (A) What you need to do (B)	Amended to reflect slight alteration to project documents, various minor updates/tidy up and revision of PM protocol flowchart

Authors: **Chris Bourne** - Projects Manager (start July 2008)
Tricia Hall - Human Resources
Andy Tolley - ICT
Kerry Russett - Legal & Democratic
Paul Creswell - Head of Finance (end June 2008)

Project Appraisal & Formal Sign Off

Appraisal:

Project Title: <i>As per Project Brief</i>	Prepared by: <i>Author of Report</i>
Date: <i>Date Report Prepared</i>	Project Number: <i>As per Project Brief</i>
Project Status?	
Project Completed <input type="checkbox"/>	Project Aborted <input type="checkbox"/>
What went well? <i>Details of the management and quality processes which went well throughout the project</i>	
What didn't go well? <i>Details of the management and quality processes which went badly throughout the project</i>	
What was lacking? <i>Details of the management and quality processes which were lacking throughout the project</i>	
Abnormal Events: <i>A brief description of any abnormal events which have caused deviations in the project plan</i>	
Methods and Tools used: <i>Assessment of the technical methods and tools used in deployment of the project</i>	
Project Issues: <i>Analysis of any issues arising throughout the project and their results</i>	
Recommendations: <i>Any recommendations for enhancement or modification to the project management methods for future projects</i>	
Quality Statistics: <i>Data to show how effective the qualitative stages have been in error trapping (i.e. how many errors were identified after the qualitative review)</i>	

Sign-Off:

By signing this form you agree that this project is complete, and no further work in respect to the Project Case and PID is required. Any further work should be included as part a new project with it's own brief and case. You also confirm that the appraisal is accurate and that all events and issues as part of this project have been recorded.

Involvement	Name	Print	Sign	Date
Project Manager				
Project Sponsor				
Other:				

PROJECT MANAGEMENT

PROJECT BOARD AND PROJECT TEAM

1.0 INTRODUCTION

- 1.1 The Borough Council has implemented and is beginning to embed a project management philosophy for all projects delivered by and through the Borough Council.
- 1.2 This briefing note is intended to provide clarity in terms of the role and membership of the Project Board and Project Team set up to help in the delivery of a project.

2.0 THE PROJECT BOARD

2.1 The Role of the Project Board

- 2.1.1 One of the principal roles of the Board is to provide a vision and strategic direction to the project and to provide advice to the Project Manager in their development of the project plan, including risk register.
- 2.1.2 They are also involved in assessing the Risk & Assurance framework for the project. They approve the PID (Project Initiation Document) which is the overall framework of the project.
- 2.1.3 The Project Manager will liaise with the Project Sponsor (the budget holder) as necessary and may meet in advance of the Project Board to agree any strategies to maintain focus on the overall aims.

2.2 The Membership

- 2.2.1 The Board constituent members will be different depending upon the type of project. In the case of the Council, sometimes a project is developed by reference to the relevant Scrutiny Committee and this may need to be taken into account.
- 2.2.2 The size of the Board needs to be manageable and typically no greater than 4-6 people.

2.3 Officer Involvement on the Board

- 2.3.1 The relevant Heads of Service will form the Board. They will, from time to time, invite specialist officers from within their Services to attend.
- 2.3.2 The Chairman of the Board will be agreed by the membership, which could be a Head of Service or Strategic Director or Cabinet Member (see later).

2.4 Elected Member Involvement on the Board

- 2.4.1 Elected Member involvement on the Board is seen as an important contributory factor in the success of the Board.
- 2.4.2 As a matter of course this will be the Cabinet Member within whose Portfolio the project rests. If there are any significant cross-cutting issues then it may be appropriate to have more than one Cabinet Member involved at the Board level.
- 2.4.3 If the project is as a consequence of referral to and work done by a Scrutiny Committee Task Group it is recommended that the Chairman of the Scrutiny Committee Task Group be asked to participate or alternatively nominate someone from the Task Group either of whom would be able to provide added value and a degree of continuity to the project development on the Board.
- 2.4.4 It is worthy of note that further Member involvement will no doubt be included by referral to, inter alia, the Projects and Partnerships Overview and Scrutiny Committee.

2.5 The Involvement of Observers

- 2.5.1 It is not advocated that 'observers' attend the Project Board, but that if any other Member wishes to be classified as an 'observer' they should receive copies of the agenda and minutes of the Board meetings for the purpose of information.

3.0 PROJECT MANAGER

3.1 Role of the Project Manager

- 3.1.1 Responsible for the effective management and delivery of the project.
- 3.1.2 Selection of team members. Define and allocate work within the team.
- 3.1.3 Lead, manage and motivate the team.
- 3.1.4 Must have the authority to manage the project.
- 3.1.5 Manage the identified risks, identify and manage emerging risks.
- 3.1.6 Responsible for liaison with the Project Board. Takes any variations (outside of pre-set tolerances) to the Board. Prepares exception plans, and contingency plans.

4.0 PROJECT TEAM

4.1 The Role of the Project Team

4.1.1 The principal role of the Project Team is to be responsible to the Project Manager for producing the agreed deliverables in accordance with the agreed plan.

4.1.2 The Team is very much a 'task driven' group where analysis, risks, issues and concerns are considered and actions recommended. The Team will also advise the Project Manager of any deviations from the plan, recommend corrective actions and to help prepare any appropriate 'exception' plan.

4.2 The Membership

4.2.1 The Team members' prime responsibility is to ensure production of the deliverables as defined by the Project Manager. Team members will report to and take direction from the Project Manager who will act as the Chairperson of the Project Team.

4.2.2 Other members of the Team will be determined by the Project Manager and will depend upon the nature of the project. This may include co-opted representatives from other organisations if necessary.

4.3 Elected Member Involvement on the Project Team

4.3.1 As can be appreciated, the Project Team members are focused on tasks and deliverables.

4.3.2 The role for Elected Members on the Team is to provide a community representation and perspective. If the nature of the project is across Ward boundaries then a selection process may be appropriate.

4.3.3 Since the Project Team may well be dealing with sensitive data it is recommended that the notes of the Team meetings have limited circulation.

4.3.4 No 'observer' role is proposed for the Team meetings and, again, the size of the team although inclusive needs to be manageable. The Project Manager will liaise with the Team as necessary to reflect upon who should attend and when.

J Riby
Head of Technical Services

4 August 2009

Business Case

Project Title: <i>As per Project Brief</i>	Prepared by: <i>Author of the Report</i>
Date: <i>Date Report prepared</i>	Project Reference:
Interested Parties: <i>Details of who the report is addressed to. (Executive)</i>	
Output/Outcome:	
Outputs (<i>What will be delivered</i>)	
Outcomes (<i>What difference will it make</i>)	
Reasons: <i>Explanation of why the project output/outcome is needed. Information from Project Brief.</i>	
Options: <i>The various options that have been considered in order to deliver the required output/outcome should be outlined here.</i>	
Chosen Option: <i>The chosen option should firstly be specified and then expanded upon. The reasons behind the selection of this choice should be summarised.</i>	
Benefits: <i>All of the benefits that are claimed to arise from the project's outcome should be identified. Each benefit should be outlined in quantifiable terms. The current status of each benefit should also be given in the same terms, so as to allow for pre- and post-project comparisons. The Executive is responsible for defining benefits. Negative assessment of benefits may be used, in order to highlight what will happen if the project is not done.</i>	

Risks:

The key risks facing the project and its outcome should be outlined. The risks identified here will form the basis of the risk matrix for any report to Members. Details of the management of the risks will be contained in the Risk Register.

Cost and Timescale:

During initiation the Business case is updated to provide detailed information on the benefits, risks, options and costs. The project plan, once completed gives a much clearer view of risks and costs.

Nb although the project plan may not be complete at this stage an outline of timescale for the delivery of the project and critical milestone dates, and expected delivery points should be included here.

Investment Appraisal (Cost Benefit Analysis):

The balance between development, operational, maintenance and support costs against the financial value of the benefits over a time period should be illustrated. The 'do nothing' option is used as a baseline for assessment of the project outcomes. Any benefits should not be expressed in an intangible manner. It could be that an intangible benefit could be expressed in a more tangible way.

Evaluation of the Investment Appraisal:

Analysis will be used to investigate the realistic outcomes of the project, and will show if the Business Case is overly dependant upon a particular benefit. Further analysis for example GAP analysis may be used to reveal any benefit expectations that are reasonable or overly optimistic. The result of this analysis may see some areas of the project undergo slight revisions.

Document to be Submitted to:

- Service Transformation Group
- Centre of Excellence
- Capital Strategy Group
- Corporate Management Team
- Other

(delete accordingly)

Change Management

Project Title: <i>As per Project Brief</i>	Prepared by: <i>Author of the Report</i>
Date: <i>Date Report prepared</i>	Project Reference:
Interested Parties: <i>Details of who the report is addressed to. (Executive)</i>	
Issue/Risk Log Number: <i>The key risks facing the project and its outcome should be outlined. The risks identified here will form the basis of the risk matrix for any report to Members. Details of the management of the risks will be contained in the Risk Register.</i>	
Description of the Proposed Change: <i>Change requirements (e.g. Legislative, corporate, new customer/supplier, change of project mgt team, re organisation, identified risk, etc). Benefit of making the change to be clearly expressed and, where possible, in measurable terms (impact of change/cost and timescale and impact on the Business Case).</i>	
Impact of the Change: <i>Assessment of the impact of potential changes, their importance, costs and a judgemental decision (project board) whether to include them or not.</i>	
Cost and Timescale: <i>How will the change be funded? {Change budget}</i>	
Decision: <i>Based on impact analysis (what would have to change, effort of the change, impact on team and project plan, deviation etc.)</i>	
Signature of Decision maker(s):	
Priority Assessment:	
Allocation Details: <i>Responsibilities</i>	
Date Allocated :	
Date Completed:	

Document to be Submitted to:

- Service Transformation Group
- Capital Strategy Group
- Corporate Management Team
- Other
- (delete accordingly)

Communications Plan

The communications plan should reflect the information needs and timing between the Project Stakeholders, Project Manager, the Project Board and any other interested parties. It includes communication in both directions between the parties during the project.,

The communication plan will contain details of any required co-operation from outside the project, plus links to corporate or programme management. It is the responsibility of the project board to obtain this and confirm the availability as part of the process.

Who will receive information {examples}	What will they receive {Information Required}	Who will provide the information	Frequency of communication	Method of communication
<i>Project Manager</i>	Updates	Project team	As required	Checkpoint reports
<i>Stakeholders</i>	Project details	Project team/project manager	Monthly	Letter/memo/echo articlePlan
<i>Staff/Union</i>				
<i>Internal audit</i>				
<i>Accounts</i>				

Summary:-

To be placed in the project guidelines.

Purpose:-

To define all parties with an interest in the project and the means and frequency of communication between them and the project.

Form 1/ Summary, Cost Benefit Analysis
13-May-15

Business Unit: Business Unit Name

Project Id: Example Project

	2007	2008	2009	2010	2011	GRAND TOTAL
TOTAL EXPENDITURE	0	0	0	0	0	0
TOTAL BENEFITS	0	0	0	0	0	0
NET TOTAL	0	0	0	0	0	
Cumulative Costs	NA	0	0	0	0	
Cumulative Benefits	NA	0	0	0	0	



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Form 3/ Cost Analysis
13-May-15

Business Unit: Business Unit Name

Project Id: Example Project

OPERATIONS INCREMENTAL	Cost Centre						GRAND
COSTS OF PROJECT	Codes	2007	2008	2009	2010	2011	TOTAL
Salaries and Wages		0	0	0	0	0	0
Additional Employee Benefits		0	0	0	0	0	0
Contractors		0	0	0	0	0	0
Communications (inc Telephony)		0	0	0	0	0	0
Hardware Capital		0	0	0	0	0	0
Hardware Maintenance		0	0	0	0	0	0
Software Capital		0	0	0	0	0	0
Software Maintenance & Upgrades		0	0	0	0	0	0
IT Goods/Services		0	0	0	0	0	0
Additional Goods/Services		0	0	0	0	0	0
Ongoing Hardware Capital Reqmts.		0	0	0	0	0	0
Ongoing Software Capital Reqmts.		0	0	0	0	0	0
Training		0	0	0	0	0	0
Travel & Subsistence		0	0	0	0	0	0
Other (specify)		0	0	0	0	0	0
Other (specify)		0	0	0	0	0	0
TOTAL OPERATIONS		0	0	0	0	0	0
TOTAL EXPENDITURE		0	0	0	0	0	0
CUMULATIVE COSTS			0	0	0	0	

- (1) Total Expenditure is the sum of Financial Total Operations costs and Total Development costs.
- (2) Total Expenditure is carried forward to Form 1/ Summary, Cost Benefit and Cash Flow Analysis



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Form 5/ Benefits Analysis
13-May-15

Business Unit: Business Unit Name

Project Id: Example Project

TANGIBLE BENEFITS	Cost Centre Codes	2007	2008	2009	2010	2011	TOTAL
Hard £							
Revenues (specify)		0	0	0	0	0	0
Reimbursements (specify)		0	0	0	0	0	0
Cost Reduction (specify) (1)		0	0	0	0	0	0
Other (specify)		0	0	0	0	0	0
Soft £							
Cost Avoidance (specify)		0	0	0	0	0	0
Other (specify)		0	0	0	0	0	0
TOTAL BENEFITS		0	0	0	0	0	0
CUMULATIVE BENEFITS			0	0	0	0	0

(1) Reflect all Cost Reduction Benefits.
(2) Total Benefits carries to Form 1/ Summary, Cost Benefit and Cash Flow Analysis

Scarborough Borough Council Cost Benefit Analysis - Guidelines and Instructions

Instructions: Cost Benefit Analysis: Form 1 through Form 5

Form 1/ Summary	Summary Cost Benefit and Cash Flow Analysis
Form 3/ Summary Operations Incremental Cost of Project	Operations Incremental Costs of Project (Form 3-Column C)
Form 5/ Benefits Analysis	Benefits Cash Flow Analysis

The three electronic forms are stored as worksheets. The worksheet functions may not all be available in prior versions of Microsoft Excel 2000 and other spreadsheets, and therefore the data may be unreadable.

In Microsoft Excel, navigate between sheets by clicking on the Forms tabs in the lower left of the spreadsheet display. You may need to customise printed output for your computer configuration. Data input cells in the electronic spreadsheet are displayed in blue.

Forms:

Form 1 requires entering the financial years, the Business Unit name, the project title. Form 3 includes estimated development costs and costs of operations. Form 5 includes descriptions and the amounts of benefits of the proposed project. The form labelled Instructions provides directions on completing the forms.

The Analysis:

You will need to gather the costs and benefits of each viable alternative considered. These are the options under analysis, and ideally each should undergo a full Cost Benefit Analysis (CBA). Completing Form 1 through Form 5 for each alternative will provide the costs and benefits necessary to select the best option.

Note:

The option to “do-nothing” has costs and benefits, too. The costs of doing-nothing are the costs of operations and maintenance, over time as currently performed or as anticipated.

Attention needs to be paid to the method of implementation, particularly to the time of operational cut-over, for example, whether in parallel or sequential.

The cost code structure used throughout the analysis is the standard structure utilised by Scarborough Borough Council. Use of the codes are not mandatory but recommended.

For more information on budget and cost codes structures contact the Accounts section.

Instructions:

1. Open the spreadsheet and go to Form 1, *Summary, Cost Benefit and Cash Flow Analysis*. Enter your Business Unit, project title, and Financial years relevant to this option. These fields show in blue. Your entries will carry forward to the remaining forms.
2. Go to Form 3, *Cost Analysis*. Enter each year's estimated development costs and costs of operations.

Scarborough Borough Council Cost Benefit Analysis - Guidelines and Instructions

Note: Development costs typically occur in the first years of the project.

3. Go to Form 5, *Benefits Analysis*. Enter a description and the amounts of benefits of the proposed project. These may include cost avoidance, cost reduction, increased revenue, or tangible public benefits. The spreadsheet will calculate the sum of revenue, reimbursements, cost avoidance, etc.

Note: The benefits of operation may be negative or positive. A more likely view of the project may have initially high but diminishing project costs as operations stabilise and benefits filter through.

The above process should be repeated for each viable alternative considered to the current way of doing business.



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Scarborough Borough Council Cost Benefit Analysis - Guidelines and Instructions

Instructions: Project Control Sheet

NOTES:

If start date is passed, and no Actual % then it will be highlighted in **Red & Bold** for attention

If 'Actual %' is greater than 1 (ie task has been started) it will remove the priority stated above

If 'Actual %' is less than 10% of 'Plan%', then status will automatically change to **amber**

Red & Green are automatic

Black is automatic when 'Actual %' = 100

0 (zero) must be entered in the Actual % and not left blank

To insert new lines:

Due to the complexity of the coding and the formatting of the cells the process for inserting an additional line is:

- 1) Copy a blank line (not a yellow line) using the standard Excel copy process (highlight line, Ctrl + C or using Edit menu option and Copy option)
- 2) Insert the line using the standard Excel insert copied cells process (Insert menu option followed by Copied Cells option)



A great place to live, w

Project Initiation Document

Project Title: <i>As per Project Brief</i>	Prepared by: <i>Author of PID</i>																		
Date: <i>Date PID Prepared</i>	Project Number: <i>As per Project Brief</i>																		
Background: <i>Setting the context of the project and how the need for it has arisen, include</i> WHAT the project is aiming to achieve WHY it is important to achieve it WHO is involved in managing the process and what their responsibilities are:																			
<table border="1"> <thead> <tr> <th></th> <th>Name</th> <th>Role (Reason)</th> </tr> </thead> <tbody> <tr> <td>Project Sponsor / Board</td> <td></td> <td></td> </tr> <tr> <td>Project Manager</td> <td></td> <td></td> </tr> <tr> <td>Project Team Member (1)</td> <td></td> <td><i>To assist with IT for example</i></td> </tr> <tr> <td>Project Team Member (2)</td> <td></td> <td><i>To assist with finance for example</i></td> </tr> <tr> <td>...</td> <td></td> <td></td> </tr> </tbody> </table>			Name	Role (Reason)	Project Sponsor / Board			Project Manager			Project Team Member (1)		<i>To assist with IT for example</i>	Project Team Member (2)		<i>To assist with finance for example</i>	...		
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Project Team Member (2)		<i>To assist with finance for example</i>																	
...																			
WHEN it is going to take place																			
Project Definition: <i>This section should detail what the project needs to achieve, within the following sub-headings (detail expanded from Project Brief) -</i> Project Objectives Method of Approach Project Scope Deliverables/Desired outcomes Exclusions Constraints Interfaces Assumptions																			
<i>The following documents should be attached as appendices, or referenced in this document</i>																			
Communications Plan																			
Change Management																			
Business Case																			
Issues/Risk Log																			

Project Brief

Project Title: <i>Summary title</i>	Requested by: <i>Head of Service/Business Unit Manager</i>
Date: <i>Date Brief prepared</i>	Project Reference: <i>Use your own reference</i>
Background: <i>Brief outline of the project, why the need for it has arisen etc</i>	
Project Definition: <i>This section will contain details of what the project needs to achieve, broadly split into the following sub-categories -</i> Project Objectives Project Scope Project Team Deliverables/Desired Outcomes Exclusions Constraints Interfaces	
Business Case <i>Outline business case in answer to the following questions -</i> How does the project support business strategy, plans and programmes? Why is the project needed?	
Quality Expectations <i>This section should detail the expectations of the project in terms of quality</i>	
Acceptance Criteria <i>This section should detail the methods by which the project will be reviewed and the criteria to be used to assess effectiveness</i>	
Risks <i>Any known risks to be reported in this section</i>	

Project Management – Risk Management

Risk Management is an important part of the project management cycle, but need not be overly complicated.

Basically it can be broken down into the following:

- 1 Identify what could go wrong
- 2 What would be the impact if it did go wrong
- 3 What is the likelihood (chances) of it going wrong
- 4 Based on the above should we put something in place to try and prevent it happening (i.e. is it serious enough).
- 5 If we are going to do something assign responsibility to someone to do it.
- 6 Monitor the above regularly

It is acceptable once identifying a risk and ranking it to not put any proposals in to mitigate the risk if it is not considered serious enough. Low likelihood or impact risks should still be identified as part of the process, as the risk may increase in severity as the project moves on and identifying the risk provides an audit trail to justify work done or not done.

The attached table provides a format for recoding risks in projects.

It is recommended that the person producing the business case brainstorms the register. This could be done alone or with other officers relevant to the size and scope of the project. The scoring of risks for likelihood and impact is not exact and should be a consensus. Where there is disagreement it is important that the reasons why someone would consider a risk to be higher than someone else are discussed, and it may be that further work is done before the risks is scored. The team should also try to agree the ratings of the risk for impact and likelihood and any control measures which will be introduced.

Ideally the risk register should highlight those important risks facing a project and it is unlikely that there would be more than say 20 risks. These are the risks to the Council, not the funding body or contractor, it should be written from the view of protecting and safeguarding the Council.

Once complete it is important that the register is reviewed on a regular basis (dependant upon the scale, nature, scope and stage of the project) to ensure that where something was identified to be done, it has been put in place. It may be that over time the rating of some risks could be reduced or increased. Likewise new risks can emerge as the project moves through each stage and new significant risks should be added to the register. You should then go through the process again.

When numbering the risk they should be done as follows:

R1, R2, R3 – for the risk identified as part of the initial brainstorming exercise.

N1, N2, N3 – for risks (N = new) added after this process. Ideally when the register is reviewed, any new risks should be identified for inclusion in the register.

Each time the register is revised, a new dated version should be created and filed so proper risk management of the project can be evidenced if required.

Project Risk Matrix

No .	Date	Issue/Risk	Consequences if allowed to happen	Likelihood	Impact	Mitigation	Responsibility	Mitigated Likelihood	Mitigated Impact

Likelihood of event occurring:

- A Very Low
- B Not Likely
- C Likely
- D Very Likely
- E Almost Certain

Impact on the project objectives:

- 1 Low
- 2 Minor
- 3 Medium
- 4 Major
- 5 Catastrophic

GUIDELINES

Likelihood:

Very unlikely	Theoretical but would be considered exceptional during the project lifetime
Not Likely	Conceivable and could foreseeably happen, but infrequently
Likely	Will occur several times, expect to happen fairly often, e.g. monthly
Very Likely	Occurs repeatedly, not supervised, occurs regularly e.g. weekly
Almost Certain	An incident/failure waiting to happen, possibly occurring daily

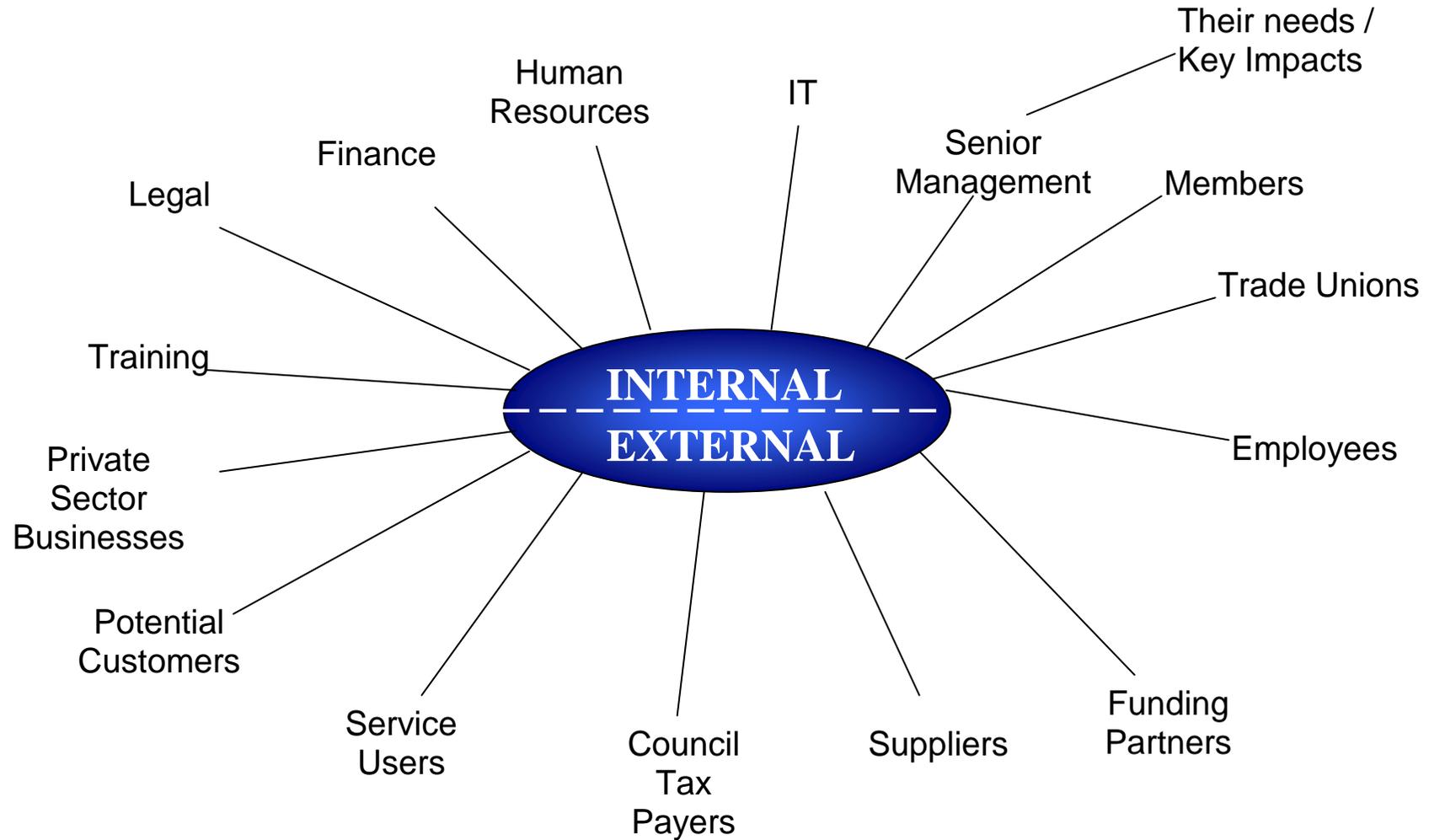
Impact:

Low	Insignificant issue in terms of the project achieving its objectives
Minor	Some disruption to project possible, may result in cost/time overrun to small extent
Medium	Cost/time overrun which requires notification to project sponsor immediately, possible adverse media coverage locally
Major	Significant disruption or cost time overrun, local and possible national media coverage, project objectives severely affected such that not all can be achieved or major revision to deliverables required.
Catastrophe	Project cannot achieve objectives, service provision not possible, significant cost/time overruns extended local or national media coverage

EXAMPLE STAKEHOLDER MAP

Scarborough Borough Council

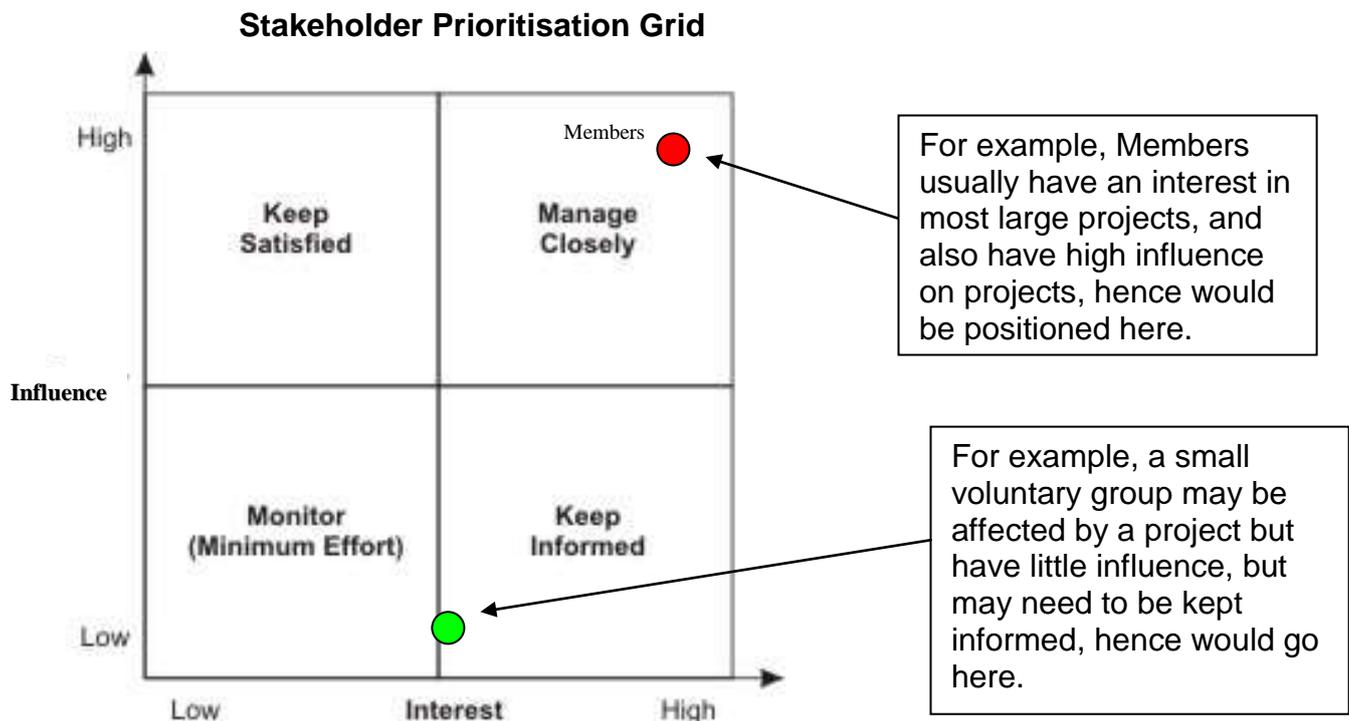
(This is only an example, and the list is not exhaustive)



Stakeholder Mapping

Don't forget stakeholders can be anyone with an interest in or have an affect on your project in any way.

Once potential stakeholders have been identified, they can be categorised and mapped out in a grid, labelled with 'Power' and 'Interest'. This will help you to prioritise your stakeholders, allowing you to organise and arrange appropriate communications, according to their place in the grid.



The position of the entries on the grid determines the actions you should have to take with them:

- **High influence, interested people** - these are the people you must fully engage and make the greatest efforts to satisfy.
- **High influence, less interested people** - put enough work in with these people to keep them satisfied, but not so much that they become bored with your message.
- **Low influence, interested people** - keep these people adequately informed, and talk to them to ensure that no major issues are arising. These people can often be very helpful with the detail of your project.
- **Low influence, less interested people** - again, monitor these people, but do not bore them with excessive communication.