Newcastle City Council

Guidance notes

Project Management System

Stage 5: Project Delivery, Traffic Light Report (TLR)

This stage deals with the delivery or production phase(s) of the project (Stage 5).

Traffic Light Reports (TLRs) are a way of providing a regular (generally monthly) reporting of the delivery phase. TLRs provide three primary functions;

i) record of a project, its progress and to enable lessons to be learned;

ii) communication to wider project team; and

iii) enable informed and timely decision making by Board

The submission document for Stage 5 is in five sections as follows;

Section 1 requires confirmation of basic details, a summary of progress; next steps; and review of project Benefits/ Outputs;

Section 2 anticipated risks (future), issues (current) and dependencies with other projects and programmes

Section 3 seeks confirmation of the projects current capital and revenue budgets;

Section 4 requires updates on non-financial resources, communications and reports; and

Section 5 asks for details of lessons learned that would benefit other projects, a summary of the overall status of the project; and to highlight issues that need to be addressed by the Board

Once the document is complete it is submitted to the relevant Project Board or Programme Board for formal review. The outcome of the review will be provided in the form of the Gateway 5 documentation which forms the final pages of the submission documentation. This part is completed by the relevant Directorate Programme Manger.

Section 1 – Project Traffic Light Report (TLR), Project details and Progress

Ref(erence) – where projects have been designated a reference or code this should be input here, otherwise leave this field blank (it is not essential)

Project name – enter the formal name of the project, this should be the same as that used previously at Gateways 1 to 4 although project titles occasionally change during the lifetime of a project

Report for: - use the drop-down menus to select the month and year of this report

Programme – identify the correct Programme from the drop-down menu. The Programme Board should be the same one that considered previous gateway reviews although occasionally projects move from one programme to another as they develop or management structures are changed

Completed by – this will usually be the Project Manager (person completing the on-line form), and will be populated automatically using your log-in details

Date – use the drop-down menus to select the current day, month and year

Email – this will usually be the Project Manager (person completing the on-line form), and will be populated automatically using your log-in details

Confirm email - this will usually be the Project Manager (person completing the on-line form), and will be populated automatically using your log-in details

Link to Council Priorities (select <u>one</u> only) – many projects will respond to a number of Council Priorities. However please select only the main one that applies at this point on the form

Current Stage – provide a brief description of the current, overall state of the project. The progress of individual elements of a project are discussed under “Progress” and “Next Steps” below so limit your commentary under this item to a high level statement

Progress - *Summarise tasks completed this month. Detail any tasks not completed with explanation and revised completion date* – an overview of progress should be provided in the free text box. This should be done against the agreed project programme; identifying key elements that have been completed since the previous (monthly) TLR; and the percentage completion of key project elements that are ongoing.

You should highlight any key elements that are significantly behind programme, outline the potential impact(s) of delay and any mitigation measures. Any elements of the project completed ahead of schedule should also be identified

Next Steps – *Summarise tasks to be completed in the next month* – use this section to identify key elements of the project that will be ongoing or starting during the next month.

Brief details should be provided of any critical elements and any that may be delayed. In the case of the latter identify any mitigation measures and the recommended approach for Board information and comment

Benefits/Outputs – *Confirm that the project is still on target to meet its objectives (financial and non-financial)* – for each TLR completed for a project you are asked to confirm the status of the various benefits and outputs the project is to deliver. These have been identified and developed in earlier Gateway documents, as follows;

- Gateway 1, Project Mandate – Why do we need it?;
- Gateway 2, Project Proposal – Strategic Fit, Project activities/outputs;
- Gateway 3, Business Case – Project Outcomes and Delivery Planning, Outcomes; and
- Gateway 4, Start-up – Project Planning, Outputs and Project Plan

Use the detail contained in the Gateway 4 documentation to review and confirm the delivery of the benefits and outcomes set as targets (i.e. those signed-off by the Board at Gateway 4).

If any benefits or outcomes change during the life of the project, are deleted or new ones are added these changes need to be formalised by the Board (date of Board approval to be given for each change/deletion/addition)

Section 2 – Risks, Issues and Dependencies

Risk register (identification and management) – *"a risk is an uncertain event or set of events that should they occur will have a material effect on the achievement of the project's (or programmes') objectives; Time; Quality; Cost; Scope; and/or Benefits"*

Risk management and risk based decision making is only effective if risks (existing and new, positive and negative) are reviewed and updated on a regular, at least monthly basis. Indeed if risks are only identified at the beginning of a project and not kept under review a project is in a worse position – it gives the false illustration that risks are being managed when in reality they are not.

A project risk register should be reviewed for new and changed risk levels by the wider project team on a regular basis. Significant risks and actions, noting any risks which are causing concern or proving difficult to control and requiring advice or intervention from the Board should be identified in the free text box.

You are required to indicate the overall status of the project visually by using one of the RAG (Red/Amber/Green) buttons on the right-hand side of the form.

Issues – "*a project issue is a problem which has actually occurred and either has a positive or negative effect on a projects chances of achieving its objectives"*

Issues, being current, are generally well known by the wider project team. However these should be identified; a brief overview of each provided and recommended approach for Board (and other information, comment, and where appropriate support.

You are required to indicate the overall status of the project visually by using one of the RAG (Red/Amber/Green) buttons on the right-hand side of the form.

Dependencies – *Detail any new dependencies identified and how these will be managed*

Most if not all projects are dependent upon other projects or programmes. These are initially identified earlier in the project management system (PMS), refer Project Proposal (Gateway 2) document.

This part of the TLR asks that you review each of these dependencies; both those identified previously and in particular any new or new dependencies provided a brief outline of the issue to inform the Board. Also identify any support or resource required to manage the relationship between the projects/programmes

Section 3 – Capital and Revenue Budgets

Capital budget – in order to ensure appropriate management of capital spend it is essential that there is a regular, at least monthly, written confirmation of the actual expenditure against the anticipated spend profile/budget.

For each TRL you complete for your project, you are required to provide the **Approved Budget**; **Committed expenditure at last month** (refer previous monthly TLR); **Expenditure committed within month**; and **Forecast [**total] **expenditure**. These felids on the form will only accept figures, any text or punctuation will be ignored.

If there are any changes in the anticipated spend profile of the project (this can be an early warning of potential overspend on the capital budget), or any element of the budget exceeds the approved budget then you are required to provide an explanation in the free-text part of the form.

Finally you are required to indicate the overall status of the project visually by using one of the RAG (Red/Amber/Green) buttons on the right-hand side of the form

Revenue budget – this has to be reported on a monthly basis in the same way as capital costs, refer above.

It is important to remember that Revenue costs can be directly or indirectly affected by changes in capital spend. For example changes in the procurement of a project or service can incur increased staff time and therefore cost. In another case a decision to refurbish an existing boiler in a school rather than replace with new – while this may save capital spend, it will impact on revenue costs (fuel usage), environmental impact (including CO_2 emissions) and is likely to mean increased, earlier lift cycle costs (i.e. future replacement and increased maintenance costs).

As with capital budget a regular (at least monthly) written confirmation of the revenue budget is required. Identify any potential changes in anticipated revenue costs and provide an explanation in the free-text part of the form.

Finally indicate the overall status of the project visually by using one of the RAG (Red/Amber/Green) buttons on the right-hand side of the form

Section 4 – Resource, communications and reports

Other resources - *Note any non-financial resource issues*

The delivery of all but the most straight-forward projects requires a wide range of resources. Many of these do not have a direct final impact on a project but can have a significant impact upon its successful delivery. For example the lack of adequate, experienced project administration or facilities (e.g. meeting rooms, equipment, software, …); a lack of timely input from internal/external project team members; delayed or poor decision making will all impact on the efficient delivery of a project. This will result in indirect costs (time, costs, quality, risk) to your project.

This part of the TLR should be used to identify concerns, their impact and potential solutions.

You are required to indicate the overall status of the project visually by using one of the RAG (Red/Amber/Green) buttons on the right-hand side of the form.

Communications plan – *Highlight key activities and any concerns relating to stakeholder engagement*

The smooth delivery of a project will only be achieved with appropriate communications between project team and all relevant stakeholders. For all but the smallest, most straight-forward of projects the nature of the communications required and the stakeholders involved will change with time and the stage of the project.

For these reasons it is important to review communications issues on a regular basis. This part of the TLR is for the project manager to confirm this is the case, and to provide an opportunity for brief statements on communications activities and any concerns e.g. it may be proving difficult to engage with a particular stakeholder or a relationship may be deteriorating. Board advice or input can be requested.

You are required to indicate the overall status of the project visually by using one of the RAG (Red/Amber/Green) buttons on the right-hand side of the form.

Reports – *Note any reports submitted in the past month or needed next month*

During the delivery or production stage of a project there will be a number of reports produced. This section of the TLR is intended to identify those reports that have been issued or will be issued.

This is for two purposes; it informs Board members of these documents; and it provides a project record of these key documents.

Issues identified in reports will be discussed elsewhere in the TLR or will be discussed at a specific meeting. This part of the TLR should simply list previous and proposed reports. For each document the following data should be provided; full title, author, date, status (e.g. draft, final, revision); and a brief summary of the reports purpose and findings.

Section 5 – lessons leaned, overall status and recommendations to Board

Lessons learned - *Detail any lessons (to be) learned from problems addressed or successes achieved*

All projects benefit from lessons learned on previous projects elsewhere. This knowledge is often brought to a project as the experience of the project manager and the other team members. It will be reflected in the way in which a project is developed and managed, for example items identified by the project team in initial risk registers – once identified these risks can be managed.

Lessons can also be learned at a Corporate level. This part of the TLR is an opportunity to identify lessons that have been learned on your project and that would benefit other projects e.g. observations on our own system for managing projects; benefits of early, thorough studies and investigations to identify and manage risk; value of early, clear and appropriate communications with all relevant stakeholders; the benefits of involving an experienced project team at an early stage to plan the project….

For all but the smallest of projects a number of lessons will be identified during the life of the project. To ensure these are captured in a single location and to avoid having to repeat earlier lessons on monthly TLRs a Lessons Learned log is available, see http://community.newcastle.gov.uk/projects/sites/default/files/templates/Lessons%20Learned%20Log.doc

Overall status/Comments - *Provide a brief general overview, noting specifically any potential changes to timescale, budget or scope. …….. indicate direction of travel (improving, no change or deteriorating) as well as RAG status*

Use this part of the TLR to provide a brief, summary of the delivery of the project, detail is provided elsewhere in the report.

You are required to indicate the overall status of the project visually by using one of the RAG (Red/Amber/Green) buttons on the right-hand side of the form. You are also asked to use similar buttons to identify whether overall this represents an "Improvement", "No change" or a "Deterioration" from the previous month's Traffic Light Report.

Queries/Recommendations - *highlight specific queries or recommendations for response from the Board*

This section of the TLR is your opportunity to highlight elements of the project that you wish or need the Board to consider.

Relevant details of the project (e.g. particular contractual issues, a problematic stakeholder, difficulty securing confirmation of funding …) should be contained elsewhere in the TLR. This section of the TLR is your opportunity to highlight the reasons why the issue needs to be discussed e.g. timescale, increased direct or indirect costs, reputational risk, or to clarify policy

Submit to – once complete use the drop-down menu to identify the relevant Directorate Programme Manager and then submit the form by pressing ***Submit***. You are able to keep a copy of your submission by selecting “Printable Version” and then either printing a hard (paper) copy or by saving a pdf version of the form. This should be done ***before*** you “submit” the form.

GATEWAY 5

Project or Programme Board response

The Directorate Programme Manager (DPM) you identified above (i.e. Submit to) will take the TLR to the next Board meeting.

As with other project management system documents it is the project manager's responsibility to complete and submit the TLR in sufficient time to be considered by the relevant Board. You may be asked to attend the Board, provide further information or clarification.

A completed, formal copy of the Traffic Light Report will be circulated by the DPM after the Board. This will provide;

- **comments** from the Board;
- **recommendations**;
- identify whether a **formal change request** [is] **required**; and
- whether any outstanding issues contained in the TLR that need **…to be escalated**

An example of the form of Board feedback is provided by the final pages of example project document see Gateway 5: Example, Primary School