



West Midlands
Combined Authority

Audit, Risk & Assurance Committee

Date	4 March 2021
Report title	Quarterly Programme Assurance Update Report
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Report to been considered by	Audit, Risk & Assurance Committee

Recommendation(s) for action or decision:

The Audit, Risk & Assurance Committee is recommended to:

- (1) Note the Programme Assurance Observation Report and the assurance activity undertaken to date in relation to projects following the Single Assurance Framework
- (2) Note the next steps of the Single Assurance Framework implementation and delivery.
- (3) Note organisational restructure changes that impact future Assurance & Appraisal arrangements

1. Purpose

1.1 The purpose of this report is to:

- Provide an update on the progress made to date regarding the projects in the Investment Programme transitioning into the new Single Assurance Framework (SAF) arrangements.
- The intention is the Assurance Update report will be presented on a quarterly basis to provide Audit, Risk & Assurance Committee (ARAC) with reassurance that the new programme assurance arrangements continued to be embedded and followed by the West Midlands Combined Authority.
- The ARAC Chair has also requested that any issues with non-compliance to assurance recommendations are also reported to the Committee.

2. Single Assurance Framework Implementation Transition Activity

2.1 The WMCA Single Assurance Framework was approved by WMCA Board in July 2020 and has provided assurance to respective Government departments that the new assurance arrangements are aligned to HM Treasury Green Book standards.

2.2 There are broadly three areas within a project lifecycle that are supported by the new assurance Framework – Initiation, Development and Approvals. The new Approvals stage went live in September 2020 with the Investment Panel; any proposal/Business Case that requires Investment Board/WMCA Board approval will first be considered at the Investment Panel.

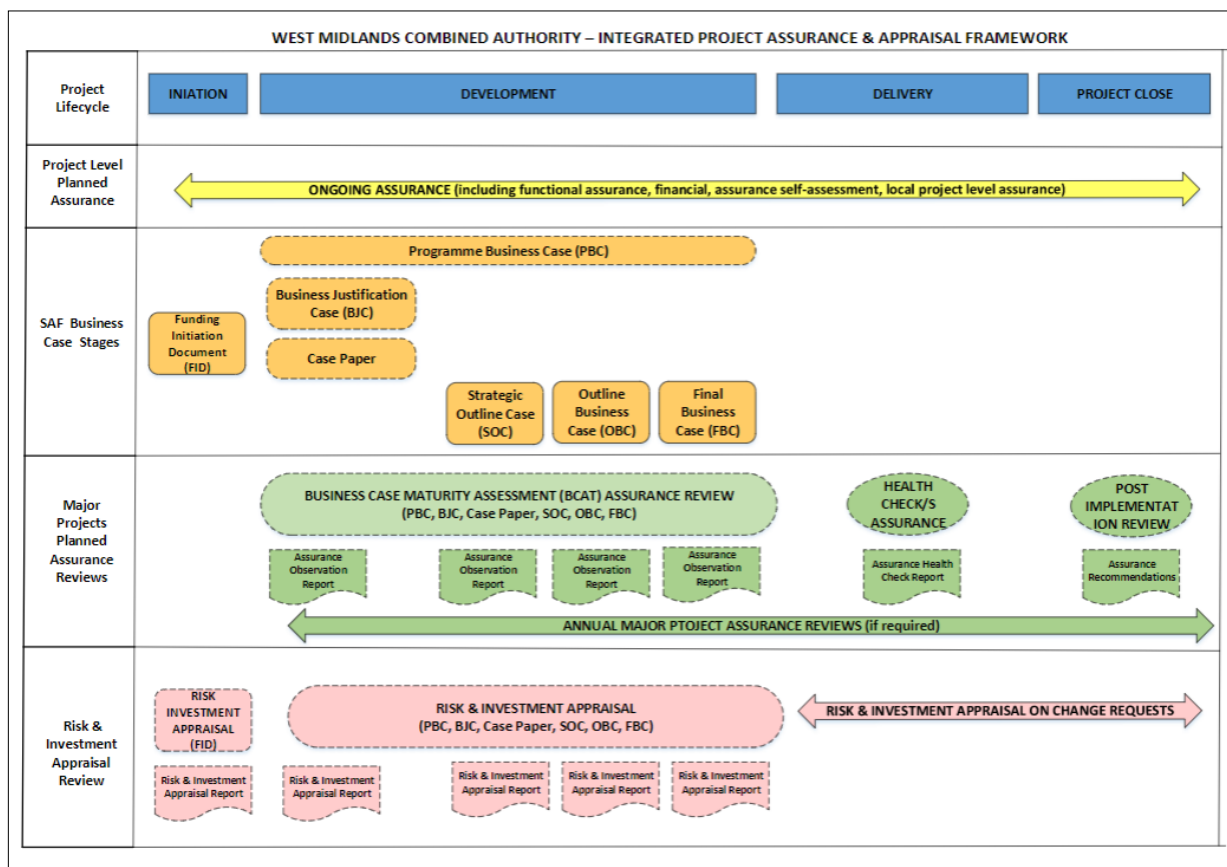
2.3 The Panel has 4 WMCA panel members who review and make observations on the business case/proposal against HMTs 5-case dimensions (strategic/economic/commercial/financial and management), plus representatives from each constituent Council and each LEP and is Chaired by the Finance Director from Dudley Metropolitan BC.

2.4 Following the Investment Panel an Output Report is produced for each business case/proposal. This outlines the observations from WMCA Panel members against the 5 dimensions, the fit against strategic objectives (the 'Golden Thread'), the contribution or consideration of WMCA Major Policy Framework and any additional recommendations or observations. This is shared with the project sponsor to make any amendments before submission to Investment/WMCA Board and is part of the package of papers to Investment Board, alongside the Assurance Observations report and Risk & Investment appraisal.

2.5 As agreed by WMCA Board in July 2020, the first projects/ programmes to transition to the new Single Assurance Framework would be the Investment Programme. This would allow a phased and managed transition of projects/ programmes onto the new assurance arrangements and would be supported by the Strategic Hub within capacity/ resource estimates.

2.6 It was agreed with the ARAC Chair that Assurance Update reporting would commence once Investment Programme projects had opportunity to transition onto new arrangements and the commencement on assurance monitoring could also begin.

2.7 To date the following projects/ have been processed through the Single Assurance Framework:



Business Case Appraisal

Project/ Programme	Portfolio Area	Business Case Stage	Date Reviewed
Rail Package 2	Investment Programme	Full Business Case	November 2020
Dudley Interchange	Transport	Full Business Case	January 2021
West Midlands Innovation Programme - Health & Wellbeing	Investment Programme	Business Justification Case	January 2021
West Midlands Innovation Programme - CITEC	Investment Programme	Business Justification Case	January 2021
Coventry Electric Bus City	Investment Programme	Full Business Case	February 2021

Change Request Appraisal

Project/ Programme	Portfolio Area	Change Category	Date Reviewed
Coventry UKC Plus - VLR Transforming Connectivity West Midlands	Investment Programme	Scope	December 2020
HS2 Interchange – Longabout	Investment Programme	Time	Pending Review
UKC UGC Interchange: HS2 Hybrid Act Change (HS2 Parallel Designs)	Investment Programme	Time	Pending Review
Strategy - Utilities, Land Value and Car Parking	Investment Programme	Time	Pending Review
UKC Infrastructure Package SOC Phase 2	Investment Programme	Scope	Pending Review

- 2.8 The Risk & Investment Appraisal assessment was undertaken on all the Business Cases and Change Requests listed above as per approved SAF process. In February 2021, we have had opportunity to implement the Business Case Assurance Review using the Business Case Maturity Assessment Tool (BCAT) as well as the Risk & Investment Appraisal assessment on Coventry Electric City Bus project.
- 2.9 Risk & Investment Appraisal recommendations have been shared with the project teams following the review of draft business cases and these have been accepted by the projects each time. The Coventry Electric Bus City has been the first opportunity to apply both the BCAT Assurance process and the Risk & Investment Appraisal process and all recommendations were accepted by the project team. The recommendation of the Programme Assurance Team is to follow up on the review of these recommendations in Quarter 1 of 2021/22. Over time, as more programme assurance reviews are undertaken the more detailed insight monitoring of actions will be shared.

3. Next Steps in Single Assurance Framework Transition

- 3.1 The following assurance and appraisal tools have now been developed and will be embedded, initially for the Investment Programme and then across the wider organisation. The intention over time is to work much more closely with wider assurance providers across WMCA and to develop an Integrated Assurance approach and plan.

Self-Assessment Tool	A self-assessment has been developed using the Association for Project Management (APM) collateral and guidance and its aim is to provide Project Leads with a tool to self-assess a project's maturity against ten fundamental categories of project management and, in doing so, enable an improvement plan to be developed.
Health Check Tool	A 2 nd line of defence Assurance Health Check Tool has been developed, using the APM collateral and guidance and its aim is to provide a 'deep-dive' into project management practice. A risk-based approach will be taken to planning Health Checks and any projects undergoing a Health Check will be provided with an Assurance Report detailing findings and recommendations to enable continuous improvement and organisation learning.
Integrated Assurance Map & Assurance Matrix	The Integrated Assurance Plan will help give the team indicators to share with SLT – give intelligence on where to invest assurance activity based of a risk centred approach. Assurance can be targeted to higher risk areas and complementary to other assurance activity being undertaken. An integrated assurance approach has benefits of a better spread of assurance activity (greater efficiency) and more effective as assurance reviews can be more targeted as specific risk areas/ projects.
Activity Register and Forward Plan	Fed by the Portfolio Project Pipelines the Activity Register and the Forward Plan will help the Hub to understand all the different project activity across WMCA Portfolios and map the assurance and governance requirements for these projects. The Activity Register is interfaced with the finance system and will be also be used to develop Portfolio Dashboards.

4. Business Transformation – Assurance & Appraisal Changes

- 4.1 WMCA Strategic Leadership Team commissioned a Business Transformation Programme review to look at a number of organisational challenges. WMCA Chief Executive briefed staff on the proposed changes in February 2021. The principles of the change proposals are to ensure that WMCA organisational team structures are fit for the future and that the organisation is developing expert and efficient delivery process and teams.
- 4.2 In headline terms, the Finance directorate takes on greater responsibility for operational business planning and resourcing, creation of a new commercial team (including procurement, investment and programme assurance and appraisal), business planning and performance operations team, HR and reward.
- 4.3 Therefore in March 2021, the Programme Assurance and Risk & Investment Appraisal teams (which were managed separately) will be managed as one team under the Programme Assurance & Appraisal Manager (Joti Sharma). This provides an opportunity to accelerate the deployment of the Single Assurance Framework (SAF) across all business portfolios and align programme assurance and appraisal activity.
- 4.4 In the future as the SAF continues to embed and be rolled out across wider portfolios, then the insight and assurance data that the Assurance & Appraisal teams provides to SLT and to ARAC will be greater enhanced and provide the assurance that projects/ programmes are complying with corporate processes and that assurance recommendations are being added to action plans and therefore improving the quality of project/ programme business cases.

5. Financial Implications

Not applicable.

6. Legal Implications

Not applicable.

7. Equalities Implications

Not applicable.

8. Inclusive Growth Implications

Not applicable.

9. Geographical Area of Report's Implications

Not applicable.

10. Other Implications

Not applicable.

11. Schedule of Background Papers

Not applicable.