

## Audit, Risk & Assurance Committee

<b>Date</b>	2 November 2021
<b>Report title</b>	Single Assurance Framework (SAF) Assurance Performance Report – April to Sept 2021
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<b>Report has been considered by</b>	WMCA Strategic Leadership Team

**Audit, Risk & Assurance Committee (ARAC) is recommended to:  
note the contents of the report**

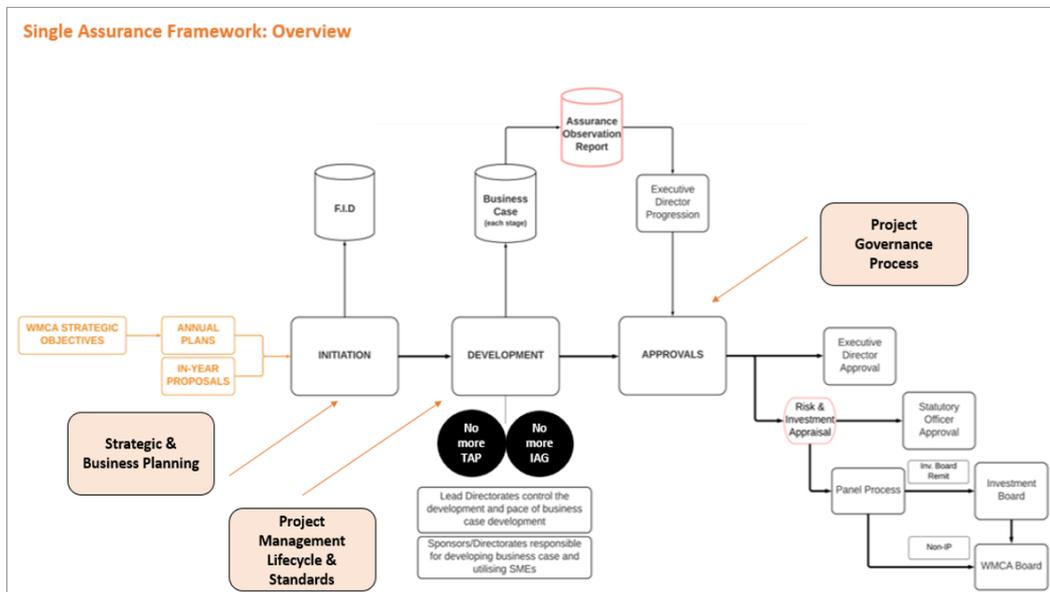
This report follows on from the Single Assurance Framework (SAF) updates shared with Audit, Risk & Assurance Committee (ARAC) previously. ARAC had requested that Programme Assurance & Appraisal team present assurance thematic performance information to the Committee on a quarterly basis.

### 1. Purpose

The report details assurance thematic performance information from WMCA projects where they have been assured to Single Assurance Framework (SAF) standards. ARAC wanted to use this quantitative information to ensure progress is being made for projects transitioning to new SAF assurance and governance arrangements.

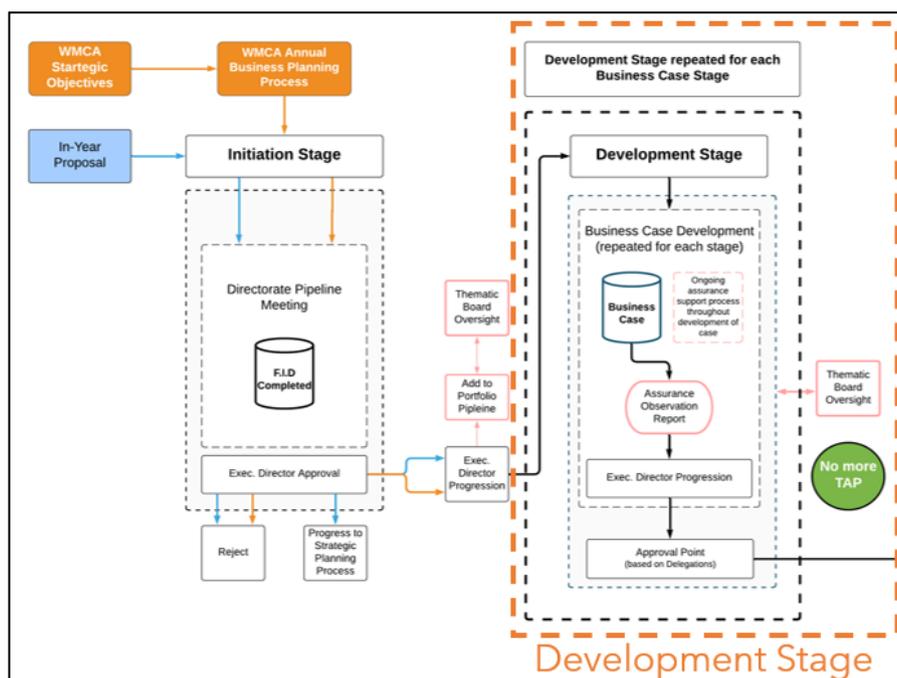
## 2. Background

### SAF Overview



The diagram above provides an overview of the WMCA Single Assurance Framework (SAF). It provides an overview of the Initiation, Development and Approvals Stages of the SAF. The role of the Programme Assurance Team is to facilitate the implementation the facilitation of the SAF with key SMEs in WMCA and primarily the other enabling support teams in the wider Finance & Business Hub directorate (Finance, Finance Business Partners, Business Planning & Performance and Procurement) will support in its operationalisation.

### Role of Programme Assurance & Appraisal Team

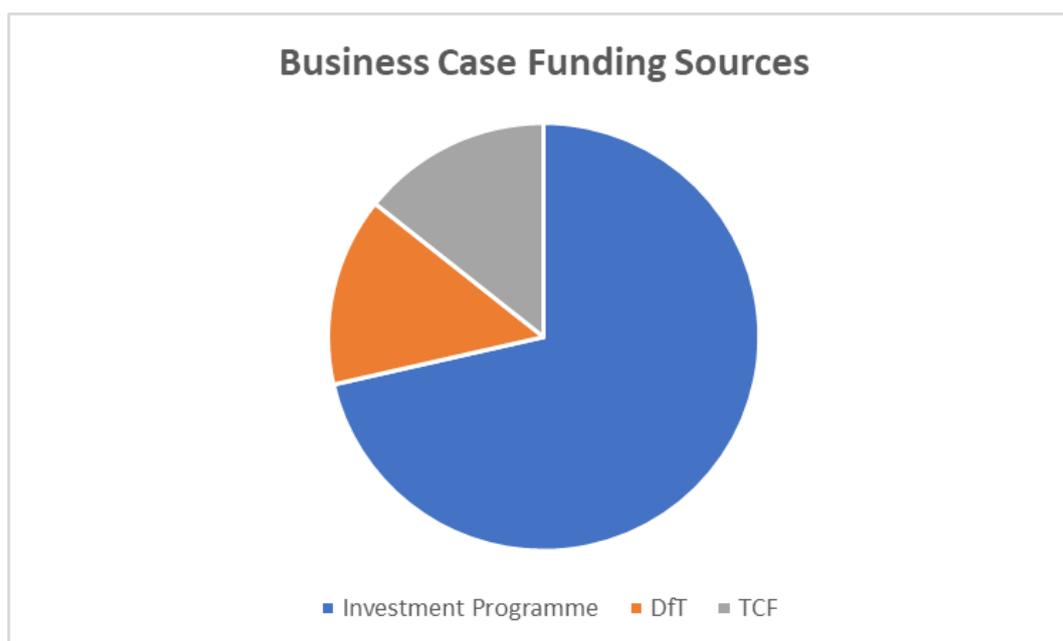


- 1.1 As part of the SAF implementation, the newly developed Assurance Toolkit is aligned to HM Treasury Greenbook and the scoring guidance has been translated into the WMCA BCAT Tool which provides analytical insight. This intelligence is being gathered to help identify any gaps, develop better business cases to secure additional funding through successful bids and help improve project/programme management delivery capability.
- 1.2 The Programme Assurance team works with the project delivery teams as a critical friend and independently and analytically assesses draft business cases against HM Treasury Green Book. The Assurance Observations Report is produced detailing the findings and recommendations following this assessment. The expectation of the SAF is that project leads use the Assurance Observations Report to develop their Business Case further prior to Executive Director progression and the start of the Risk and Investment Appraisal process.
- 1.3 Once the assurance recommendations have been considered then this provides a constructive basis to further develop the business case prior to formal submission. The final business case will then be subject to a detailed Risk and Investment Appraisal, the accompany outputs from the Programme Assurance & Appraisal team then accompany the associated business case through the approvals process outline risk exposures to WMCA.

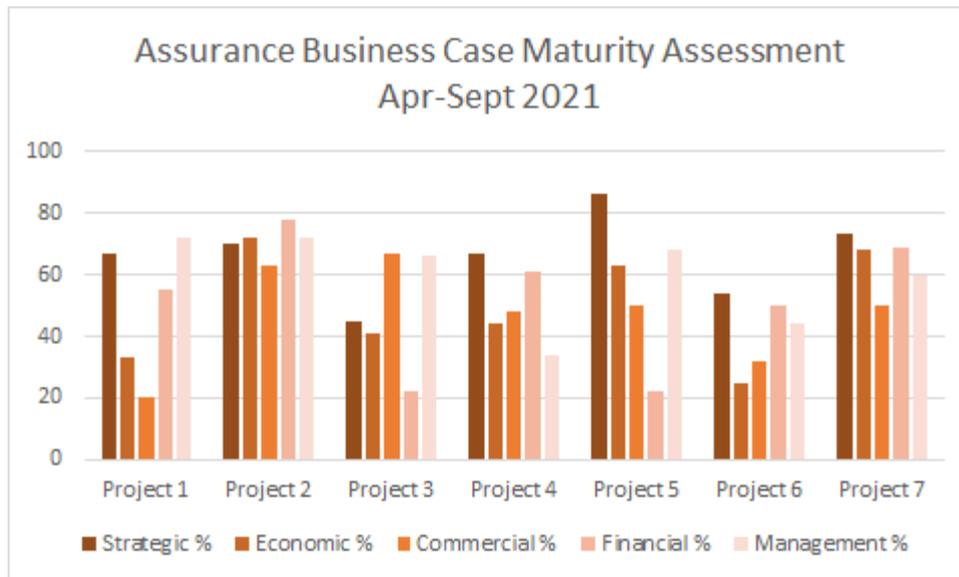
### **3 Assurance Performance Analytical Insights April – September 2021**

#### Business Case Assurance Reviews:

- 3.1 A total of Seven BCAT maturity assessments were completed by the Assurance Team between April and September 2021. Funding Sources for each of the Business Cases assessed cut across the Investment Programme, Department for Transport and Transforming Cities Fund as detailed in the chart below:



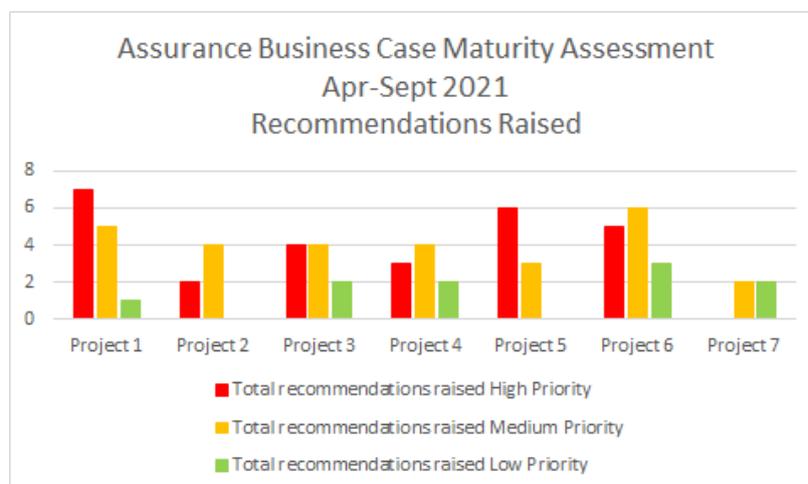
- 3.2 The detail of the assessed maturity of each Business Case, and their maturity across each of the five Business Case Dimensions, is provided in the table below (Maturity has been assessed against expected HM Treasury maturity levels for each Business Case type):



3.3 The average assessed maturity levels of each Business Case Dimension is summarised next. The Strategic Case Dimension is generally scoring higher (67%) than the remaining cases and is often a substantial part of the overarching document by way of content. The Commercial Case is generally less developed of five Business Case Dimensions assessed, predominantly due additional detail and planning required in the Procurement strategy.

3.4 Once a Business Case assessment is completed by the Assurance Team, an Observations Report is produced and shared with the project lead. This report contains details of the Business Case maturity assessment, together with any findings and recommendations raised. All recommendations are rated as either High, Medium or Low priority, with high priority recommendations expected to be actioned by the project lead prior to the Business Case moving forward for Approval.

3.5 A summary of the recommendations raised across each of the seven Business Cases assessed is provided in the table below:



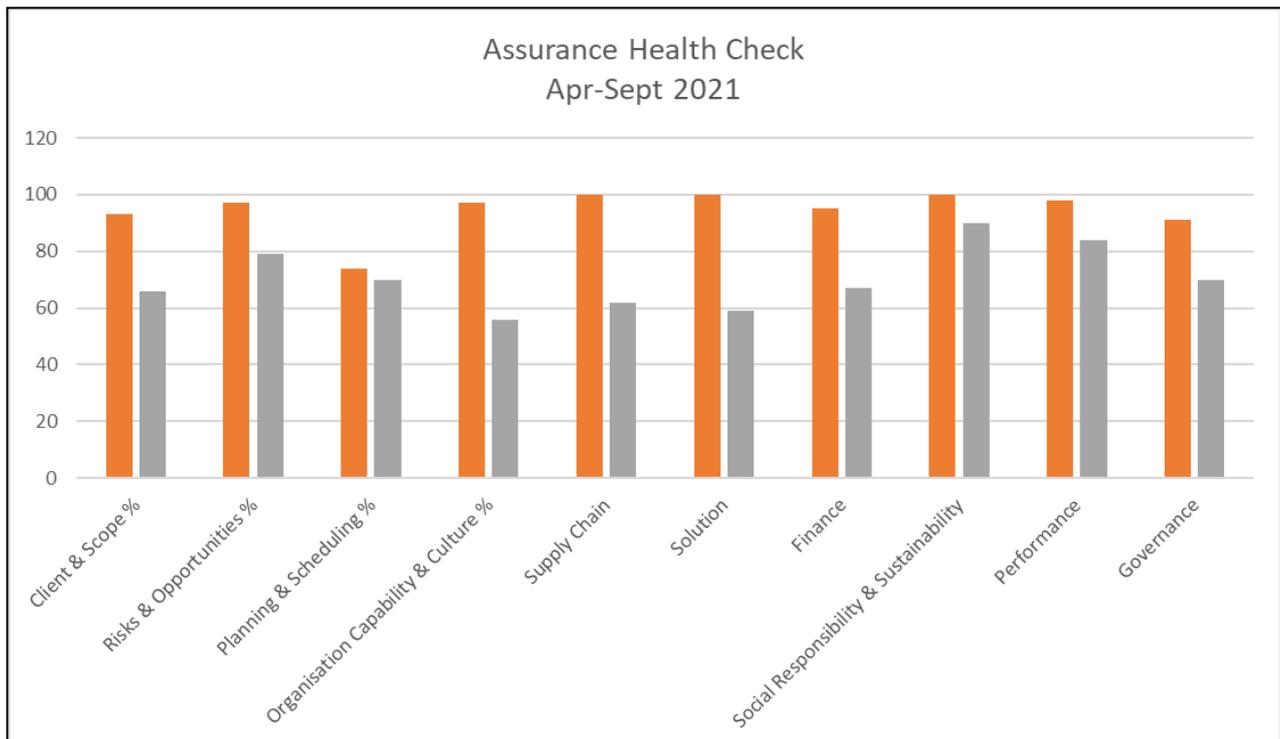
3.6 The intention of this process is to drive improvements to the maturity of Business Cases prior to approval and to highlight to decision-making bodies any ongoing risks identified with the Business Case being presented.

3.7 Of the 27 high priority recommendations raised during the period, 12 were completed prior to approval i.e. 44% (rising to 70% if two of the projects assured are). For one of the projects reviewed at this time, the Government set an ambitious timeline for fund bid submission which required an accelerated assurance and appraisal review to be undertaken simultaneously. Assurance & appraisal review findings with the accompanying risk position accompanied the report pack through the approval's governance process. To mitigate this risk, the Programme Assurance & Appraisal team have recommended that a project health check be initiated early in the project delivery stage. 5 High priority recommendations were raised for this project. Of the second project reviewed during this period, the appraisal had not been initiated at the time of writing the report so it was unclear if progress had been made regarding the 2 High priority recommendations made as part of this review.

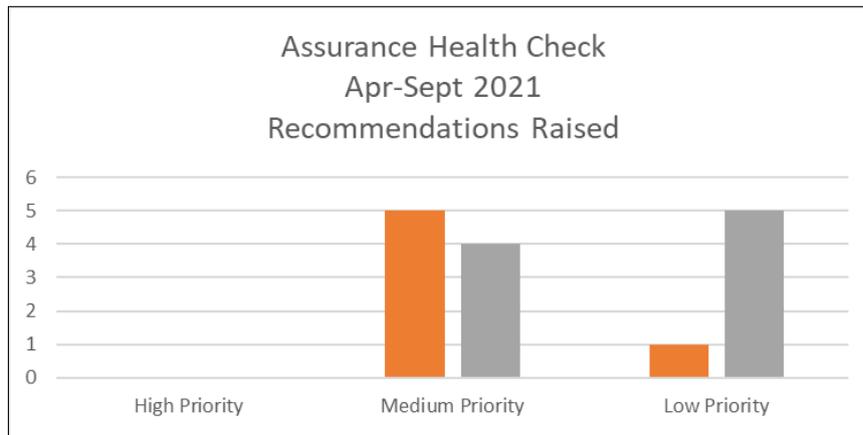
Business Case Assurance Reviews:

3.8 As with the BCAT process, once a Health Check has been completed by the Assurance Team, an Observations Report is produced and shared with the project lead. This report provides a summary of the Health Check score and RAG rating, together with any findings and recommendations raised. All recommendations are rated as either High, Medium or Low priority.

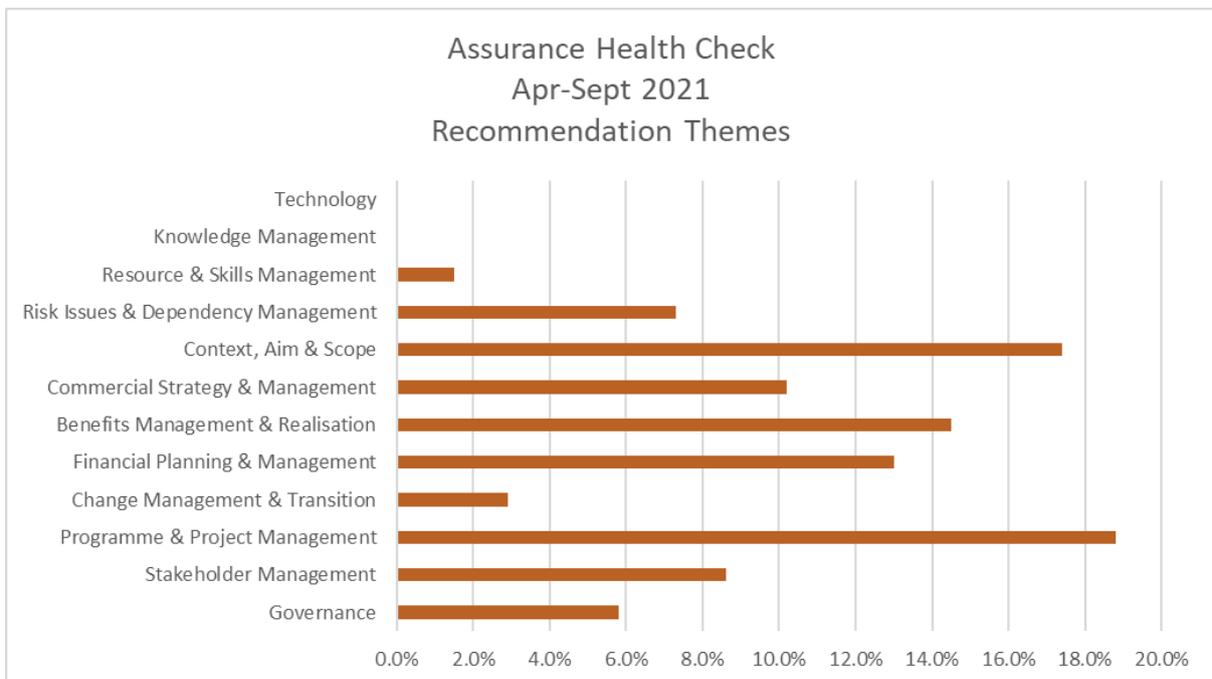
3.9 Two Health Checks were completed during the period by the Assurance Team, and a summary of these are detailed in the table below:



3.10 The table below details the number of recommendations raised. No high priority recommendations were raised during the period.



3.11 Health Check recommendations are categorised within the Assurance Observations Report which enables further analysis to be undertaken of ongoing themes and trends. The table below details a summary of the recommendation themes for the reporting period.



#### Risk & Investment Appraisals Reviews:

A total of nine Risk & Investment Appraisals were completed by the Appraisal team during the period. A summary of these is detailed in the table below:

<b>Funding Source</b>	<b>No. Business Case Appraised</b>
Investment Programme	7
Department for Transport	1
Transforming Cities Fund	1
<b>Approval Route</b>	<b>No. Business Case Approved</b>
Executive Director	4
Statutory Officer Panel	2
WMCA Board	3

#### Change Request Reviews:

A total of six Change Requests were processed by the Appraisal team during the period. A summary of these is detailed in the table below:

<b>Funding Source</b>	<b>No. Business Case Appraised</b>
Investment Programme	6
<b>Change Request Type</b>	<b>No. Business Case Appraised</b>
Scope/Time	4
Cost – early drawdown	1
Time	1

## **4 Assurance Performance Trends & Themes Identified April – September 2021**

Key emerging assurance themes emerging from this reporting period are:

- a. Compliance with the SAF is improving and intended plan to roll our new SAF arrangements to the Investment Programme initially is being realised.
- b. The SAF processes and controls need to be rolled out to all devolved funded programmes where WMCA is the Accountable Body.
- c. Engagement has been with Strategic Leadership Team (SLT) this month (October 2021) on the approach and timescales to undertake this exercise. A SAF Implementation Project Manager has been appointed this month too for a 12-month period to support the roll out of SAF across all WMCA Project portfolios.
- d. High Priority recommendations:
  - o The table below provides an overview of the number of high priority recommendations raised following Programme Assurance Business Case Maturity Assessments:

Strategic	Economic	Commercial	Finance	Management
4	6	5	4	8

- A possible explanation for the large volume of Management Dimension high priority recommendations could be that HM Treasury have highlighted a high volume of project/programme documents/procedures that should ideally be in place for successful project delivery.

This concurs with the Health Check findings which show Project/Programme management arrangements to be a priority area for improvement. The appointment of the Programme Centre of Excellence Manager will help to drive improvements in this area moving forward.

- When subdividing recommendations against project and programme themes the areas of Benefits, Scope and Project Management accounted for over half of the 27 high priority recommendations.
- e. A general area for improvement identified within Business Cases is the definition of objectives; ensuring they are SMART with the ability to be measured through ongoing Monitoring & Evaluation post approval.
- f. The two key areas for improvement identified from Health Check activity were
- Context, Aim & Scope and
  - Programme/Project Management.
- g. During this quarter 5 out of the 6 change requests received have been extension of time requests which are often proposed due to delays related to Covid-19. This trend is likely to continue throughout 2021/22 when project impacts are fully assessed.

## 5 Strategic Leadership Team (SLT) Support

5.1 In October 2021 SLT received a report on progress to SAF implementation project and issues. SLT accepted that progress had been made to date of roll out of SAF to the Investment Programme and they accepted that a clear plan needs to be developed to roll out SAF arrangements to all WMCA Project Portfolios.

5.2 The SAF assurance tools, supporting infrastructure and processes developed have been applied to the Investment Programme and are driving improvements by providing the insight detailed in this report.

5.3 SLT have supported the creation of the Programme Assurance & Appraisal Team following the Business Transformation organisational review in March 2021. The team are part of the wider Finance & Business Hub working more closely with enabling services to better support the delivery of projects and ensure effective controls are in place.

5.4 SLT have accepted the Programme Assurance & Appraisal team along with Finance & Business Hub partners act in a 'Hub & Spoke' model. The centre enabling teams provide organisational standards and controls that ought to be applied across WMCA's delivery directorates. From an Assurance perspective, SLT agreed that the Programme Assurance & Appraisal team act as facilitators for implementation of SAF standards across WMCA on their behalf. WMCA Board own the Single Assurance Framework and it is a key part of the systems of internal control for WMCA. The new SAF, enabling tools, standard and insight information will drive improvement in project delivery and a better understanding of associated risks.

5.5 The appointment of a SAF Implementation Project Manager and Programme Centre of Excellence Manager, will contribute massively to the ability of the team to continue implementation of and compliance with the SAF. These appointments will also help drive the quality of project and programme management activity across the organisation.

5.6 SLT accepted that they own the WMCA Project Pipeline and Bid Management process and will engage with the Programme Assurance & Appraisal Team to ensure the team has better visibility of proposed projects needing to be developed in accordance with WMCA Single Assurance arrangements in the future.

5.7 SLT will receive monthly progress reports of the SAF Implementation project via the Director of Finance.

**6. Financial Implications**

No implications.

**7. Legal Implications**

No implications.

**8. Equalities Implications**

No implications.

**9. Inclusive Growth Implications**

No implications.

**8. Geographical Area of Report's Implications**

All areas.

**9. Other Implications**

N/A

**10. Schedule of Background Papers**

N/A