

### Governance ..... an enabler?

#### **About the Speakers**



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#### **About the Topic**

## The governance conundrum – is governance an enabler, or a hindrance to progress?

How complex governance is handled on the £1.85bn Metrolink expansion programme and other similarly complex projects



#### **Metrolink Background**

- Opened 1992
- ☐ First 'Second Generation' tramway in the UK
- Conversion of heavy rail link between Bury and Altrincham
- Street running link through the city centre
- Extended to Eccles in 2000
- 2008 nearly 20 million passenger journeys per annum





#### **Governance Process**

#### National Government – approvals (e.g. TWOA, legislation, devolution)

Sets priorities for the region and establishes Greater Manchester Transport Fund

Sets the transport strategy for Greater Manchester and monitors the Transport Capital Programme on behalf of GMCA

Executive body that delivers the transport strategy

Corporate Governance

Programme Level Governance

Greater Manchester Combined
Authority

Transport for Greater Manchester
Committee

Transport for Greater Manchester

Operations / Investment Board

Programme Board

#### Supply Chain Governance



#### **Metrolink Expansion**

- □ 2008 to date circa £1.85b programme
- ☐ 60km new Metrolink lines tripled the size of the network
- ☐ Continuing to expand Trafford Park Line
- Transformation of the network
  - New Trams
  - Stop Upgrades
  - Tram Management System
  - Customer Service
- Step change in customer experience
- Patronage now in excess of £36m journeys pa

#### What has Governance Added?

- Provides Framework and sets
  - the rules
- ☐ Visibility and transparency
- Clarity
- Drives good practice

- Clear decision making and
  - delegated authority
- ☐ Confidence = the ability to
  - secure future funding



#### **Good Governance drives confidence**

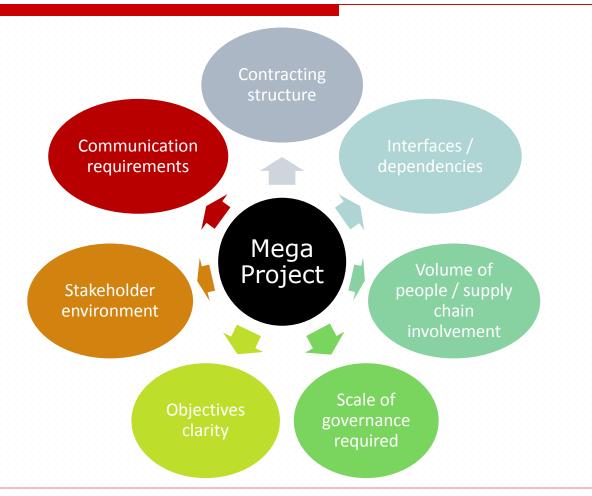
- 2003 / 2004 Metrolink expansion funding pulled low confidence in costs and robustness of governance
- Drove a strong focus on internal governance and formal governance
- ☐ Formalisation of process and reporting to Governing Committees
- Further strengthened by formation of Greater Manchester Combined Authority (GMCA)
- Transport for Greater Manchester Committee
- □ 2007/08 initial £600m funding, culminating in £2 billion by 2017
- Robust Governance & strong delivery track record = ability to continually secure further funding



- Robust Governance versus efficiency and flexibility to effectively react in a live environment
- Control versus empowerment
- Clarity on the process keeping it simple



### **Typical Features that lead to Complexity**





# **Drives Failure**

Project goals not clearly established

Insufficient design work before construction

Not sticking to the plan

Poor change control procedures

Incorrect form of contract

**Relationship failure** 

Collaborative working and early socialising of the project team

Aligned Vision and Values

Effective risk management

Lean approach to planning

The right mix of people

Effective use of BIM technology

# **Drives Success**

Strong
Governance
should define
clear
objectives and
key
stakeholder
buy in

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# **Drives Success**



Project goals not **Collaborative working** clearly established and early socialising of the project team **Insufficient design** 7 work before **Aligned Vision and** Strong construction **Values** governance drives robust Strong Fa Not sticking to the plan **Effective risk** programme governance management management drives robust Drives Poor change control processes cces programme procedures Lean approach to management planning processes. Incorrect form of The right mix of people contract **Relationship failure** Effective use of BIM technology



Integrated
Programme
with key
governance
milestones and
stage gate
reviews
identified.
Clear
understanding
of critical path
long lead in
items and
interfaces.

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Insufficient design work before construction

7

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Strong governance drives robust programme management processes.



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cumbersome
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Good
governance
should drive
the control by
providing a
framework for
managing
change
including
delegated
authority
levels

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# **Drives Success**



Failure

Drives

Whole project approach required. Form of contract needs to encourage collaboration not confrontation Ability to be flexible Incentivisation can drive the correct behaviours

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## rives Success



Lack of trust,
failure to
understand
each parties
culture and
governance
requirements
and to align
processes to
achieve them
will drive

relationship

failures

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**Drives Success** 

Good governance brings people together at the onset. This is the time for team building.



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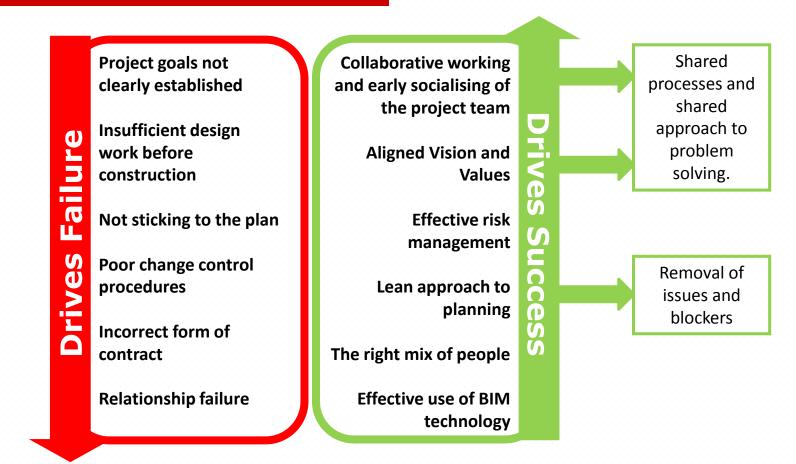
The right mix of people

Effective use of BIM technology

**Drives Success** 

Collaboration brings shared visions and values that are focused, thus helping to achieve the end game





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**Drives Succes** 

Effective
governance
drives robust
risk
management,
including clear
delegated
authority and
management
of contingency
= effective cost
management
and forecasting



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**Drives Succes** 

Breaks down planning into bite sized chunks but maintains focus on how each activity fits in achieving the end game. **Drives** collaboration, visibility, operations and high performance



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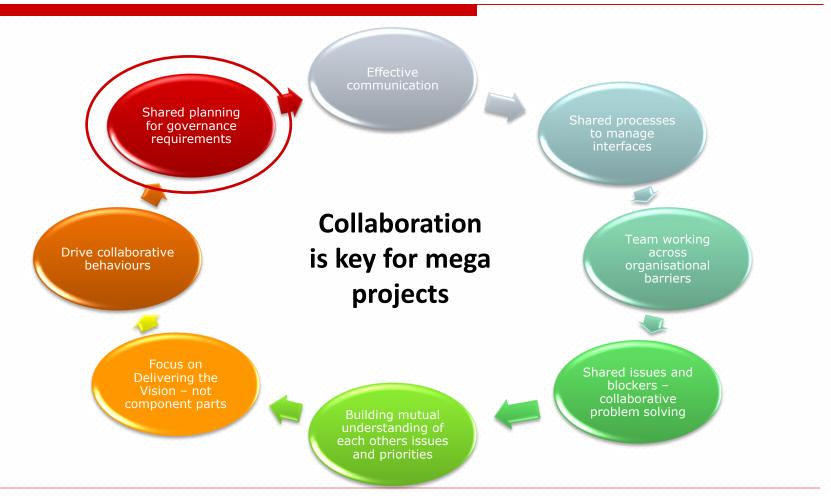
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**Prives Success** 

An essential aspect of project success.
Not always correct at the beginning.
Don't be afraid to change if the mix is wrong.



## Good governance brings people together at the outset





#### **Governance through Change Control**

- ☐ Change is inevitable but how you deal with it determines project success or failure
- Robust Governance establishes Change Control framework
- Provides clarity on delegated authority
- ☐ Process needs to be efficient to enable a dynamic response, but provide sufficient control

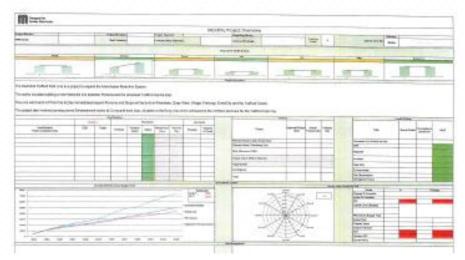
## Governance through Stakeholder Management

- Essential for effective Project Delivery
- Helps to drive the Governance Process
- Effective stakeholder management needs to be:
  - Pro-active
  - Embedded in Project Delivery
  - May have a dedicated team, but is a collective responsibility
- Supports the governance process propagates openness and transparency
- Supports decision making



## Robust Programme Management – Reporting

- Comprehensive reporting:
  - Monthly Progress Reports
  - Dashboard style reports
  - "S" Curves
  - Key Date Summary
  - Key Milestone Indicators
  - Health & Safety (Behavioural Safety approach required)
- Reporting process informative and timely
- Avoiding the pitfalls of 'reporting for reporting sake' and excessive regimes that drive inefficiency





#### **Lessons Learned**

Communication and collaboration is key to good governance

Governance can be an enabler, delivering robust delivery, confidence, visibility and supporting future investment

But ....there is a risk of overburdonsome reporting and procedures; it's a balance

The challenge is to make the process efficient, user friendly and transparent

