

NAO insights from government programmes: Understanding the value of project controls

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Value of project controls



The role of the NAO

Importance of project controls

What does the NAO look for?

We are the UK's independent public spending watchdog.

We support Parliament in holding government to account and help improve public services through our high-quality audits



Role of the NAO



Our strategic priorities

1. Improving our support for effective accountability and scrutiny
2. Increasing our impact on outcomes and value for money
3. Providing more accessible insight

Importance of project controls

“Value for money comprises the optimal use of resources to achieve the intended outcomes.”

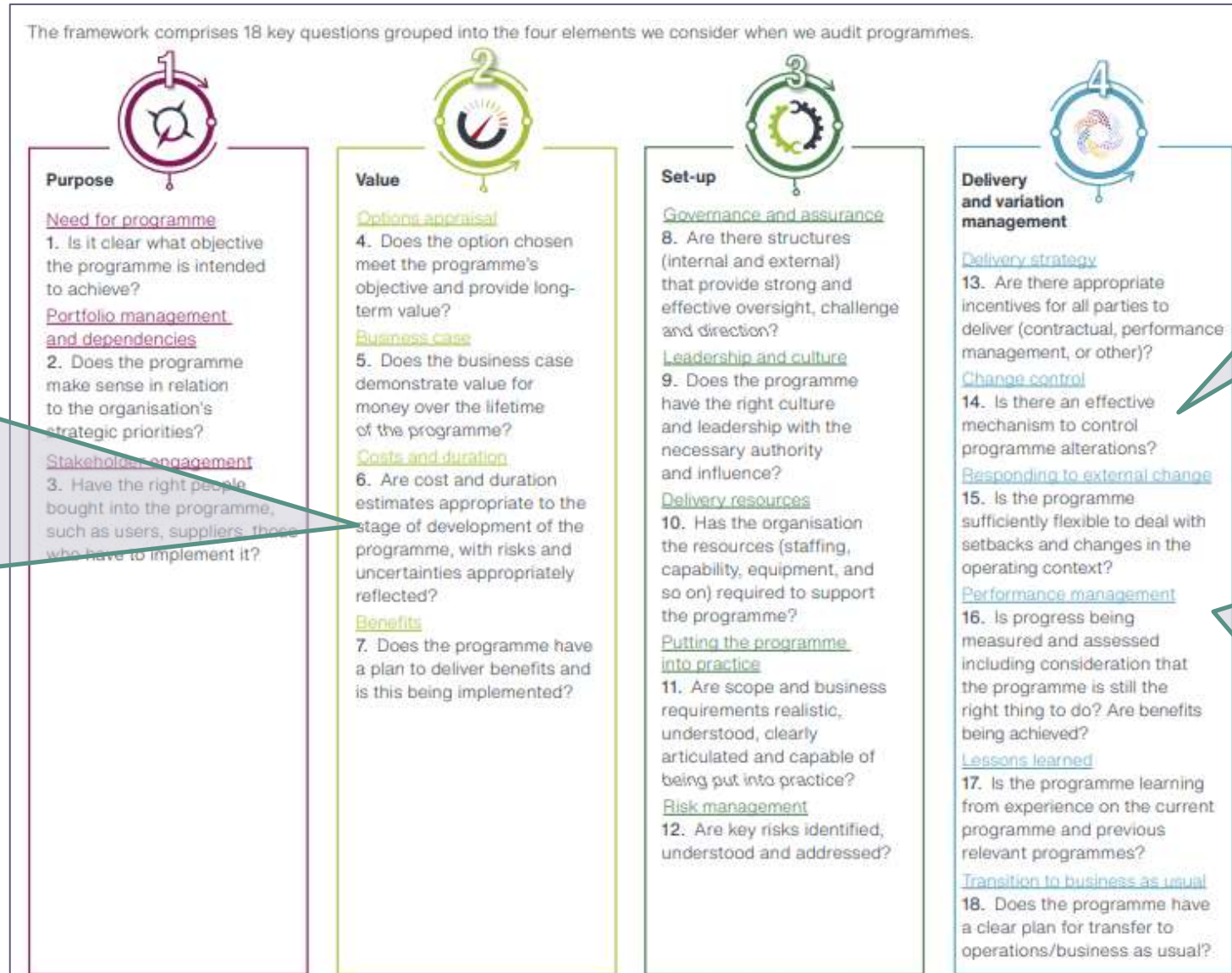
(NAO definition)

“the loss of downward pressure on costs, and the absence of a realistic plan were set against an atmosphere where ‘can do’ became unrealistic...”

“Bodies must ensure that information within their organisation is accurate, consistent, and timely”

“Tailoring processes to add value and momentum to programme decision-making”

What does the NAO look for?



Costs and duration

6. Are cost and duration estimates appropriate to the stage of development of the programme, with risks and uncertainties appropriately reflected?

Change control

14. Is there an effective mechanism to control programme alterations?

Performance management

16. Is progress being measured and assessed including consideration that the programme is still the right thing to do?

What does the NAO look for? Themes from our work

Truth and honesty must be in place for controls to be effective

Our lessons learned from major programmes include...

“Organisations should examine their, and contractors’, **culture and behaviours** so effective line of sight.”



“good news’ culture”

“fortress mentality”



“.....were set against an atmosphere where ‘can do’ became unrealistic”

What does the NAO look for? Themes from our work

Decision-makers need good information at the right time, allowing them to assess risks and early warning signs

*“Bodies must ensure that information within their organisation is accurate, **consistent, and timely** with indicators that alert to emerging issues.”*

For programmes delivering at speed, decision-makers should ensure data and information:

- Focuses on what needs to be delivered
- Is shared efficiently
- Is considered at the right time so action can be taken
- Includes early warning indicators to anticipate likely points of failure across risks
- Is considered in the right environment, so issues are raised and acted upon

What does the NAO look for? Themes from our work

Think widely about the controls needed but always do the thinking

Delivering at speed



Sometimes you need to get somewhere faster.

But speed does not mean ignoring the basics or ploughing ahead.

Processes and controls will always help reduce delivery risks, but be innovative when considering what these look like

What does the NAO look for? Themes from our work



To deliver successfully at speed decision-makers need to:

Tailor programme processes to add value and momentum to programme decision-making.

- Establish strong and timely risk management processes, particularly to identify the emerging risks of delivering quickly.
- Align programme controls, such as approvals, to the specific programme risks.
- Be transparent on the decisions and risks that have been taken, particularly where processes have changed to deliver at speed.
- Tailor assurance to align with programme risks.



National Audit Office

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