

# National Audit Office (NAO):

# Framework to review programmes

Please note: This Word document is intended to make it easy to access and use the questions set out in our framework to review programmes. It does not include the examples or links to additional in-depth tools to be found in the full, interactive, version.

### Introduction

Major programmes are expensive, high profile and carry great uncertainties and risks. It is not surprising that many fall short of their objectives, in terms of cost and/or outcomes. This framework draws together the key questions we ask when we review major programmes, based on our experience and taking account the findings of our reports. It was developed for our value for money auditors to use when reviewing programmes, but may be useful for those seeking an overview of our work on projects and programmes.

### About the Framework

The framework is structured into four elements that should be considered at each stage of a project or programme:

1. Purpose: Is there a strategic need for the programme and it is the right programme to meet the need?
2. Value: Does the programme provide value for money?
3. Programme Set-up: Is the programme set up in accordance with good practice and are risks being well managed?
4. Delivery and Variation Management: Are mechanisms in place to deliver the intended outcomes and respond to change, and is the programme progressing according to plan?

## Evidence base

This framework is based on our experience of around 100 studies reviewing public sector programmes over the last seven years. The main NAO reports are available on our [Managing major projects](https://www.nao.org.uk/search/pi_area/managing-major-projects/type/report) web-page, including good practice guides such as [Initiating successful projects](https://www.nao.org.uk/report/nao-guide-initiating-successful-projects-3/). The guide reflects our work up to April 2017. It is an evolving framework and we expect to add to and amend it further evidence becomes available.

## Using the framework

This framework is not intended to be a checklist. It is a flexible approach that can be tailored, based on issues such as the stage and type of programme. We designed it for auditing major government projects and programmes, but the elements are also relevant when examining any project or suite of projects.

Our audit approach depends on the context of each examination, and we make our assessments on a case-by-case basis. We may apply the framework within a wider set of audit questions. Auditors use other NAO resources, detailed under In-depth tools, and deploy their own experience and judgement to probe deeper into areas of particular interest on each programme.

Our audit approach evolves over time and responds to the challenges government faces. Accordingly, we expect the framework to develop further, and the questions we ask may change in the future.

This framework can be applied to programmes or individual projects. When we examine portfolios of programmes, we ask some of these questions and consider other issues, such as prioritisation and resource allocation.

The framework comprises 18 top level questions, each with suggested sub-questions. We generally ask the main questions first, then use the sub-questions to get more information, if needed. Many of the questions are interrelated. The ‘essential evidence’ section contains suggested documentation that may provide the answers, but it is not exhaustive.

Our full, interactive, version of the framework is illustrated with good practice and lessons learnt examples from our reports and includes more specific tools to help with examining some issues, types of programme or delivery methods are detailed.

### Top level questions

Click on any of the following 18 key questions to see the additional questions and sources of evidence for answers.

[Purpose](#_Toc491186467)

[1 - Need for programme: Is it clear what objective the programme is intended to achieve?](#_Toc491186468)

[2 - Portfolio management and dependencies: Does the project make sense in relation to the organisation's strategic priorities?](#_Toc491186469)

[3 - Stakeholder engagement: Have the right people bought into the programme e.g. users, suppliers, those who have to implement it?](#_Toc491186470)

[Value](#_Toc491186471)

[4 - Option appraisal: Does the option chosen meet the programme’s objective and provide long-term value?](#_Toc491186472)

[5 - Business case: Does the business case demonstrate value for money (VFM) over the lifetime of the programme?](#_Toc491186473)

[6 - Costs & schedule: Has the programme built up robust estimates of cost and schedule, including all programme components?](#_Toc491186474)

[7 - Benefits: Does the programme: have a baseline, know what measurable change it is going to make, and actually measure it? Are benefits being achieved?](#_Toc491186475)

[Programme set-up](#_Toc491186476)

[8 - Governance and assurance: Are there effective structures (internal and external) that provide strong and effective oversight, challenge and direction?](#_Toc491186477)

[9 - Leadership and culture: Does the programme have strong leadership with the necessary authority and influence?](#_Toc491186478)

[10 - Resources: Has the organisation the resources (staffing, capability, equipment, etc.) required to deliver the programme?](#_Toc491186479)

[11 - Putting the programme into practice: Are scope and business requirements realistic, understood, clearly articulated and capable of being put into practice?](#_Toc491186480)

[12 - Risk management: Are key risks identified, understood and addressed?](#_Toc491186481)

[Delivery and variation management](#_Toc491186482)

[13 – Delivery Strategy: Are there appropriate incentives for all parties to deliver (contractual, performance management, or other)?](#_Toc491186483)

[14 - Change control: Is there an effective mechanism to control programme alterations?](#_Toc491186484)

[15 - Responding to external change: Is the programme sufficiently flexible to deal with setbacks and changes in the operating context?](#_Toc491186485)

[16 - Performance management: Is progress being measured and assessed including consideration that the programme is still the right thing to do? Are benefits being achieved?](#_Toc491186486)

[17 - Lessons learned: Is the programme learning from experience on the current programme and previous relevant programmes?](#_Toc491186487)

[18 - Transition to business as usual: Does the programme have a clear plan for transfer to operations / business as usual?](#_Toc491186488)

### Detailed questions

#### Purpose

##### 1 Need for programme: Is it clear what objective the programme is intended to achieve?

Has the need for a programme been established?

Is there a clear understanding of the current position, the shortcomings that the programme is intended to address and the desired outcome? And is it clear that the programme, if delivered, would address the need?

Are there clear, realistic objectives and an understanding of what success looks like?

Essential evidence:

* Statement of what the programme is intended to achieve – likely to be in strategic business case

##### 2 Portfolio management and dependencies: Does the project make sense in relation to the organisation's strategic priorities?

How does the programme address the highest priority strategic needs of the organisation?

What other programmes are active at the same time to address these strategic needs?

Is there good understanding of other organisations’ programmes that may impact on the operating environment of the programme?

Is there an approach in place to manage the interdependencies between different policies, teams, organisations?

Is there evidence of timely and consistent communication between those with an interest in the outcome being sought?

Does the project make sense in relation to the resources available to the organisation? (see also Question 10)

Essential evidence:

* Statement that programme fits with organisational strategy – likely to be in Single Departmental Plan

##### 3 Stakeholder engagement: Have the right people bought into the programme e.g. users, suppliers, those who have to implement it?

Have all stakeholders been identified and their influences understood?

Have they been engaged and roles and responsibilities established?

Are key stakeholders supportive of the programme?

Is there a stakeholder management plan?

Is there a complementary communications plan?

Essential evidence:

* Stakeholder engagement strategy

#### Value

##### 4 Option appraisal: Does the option chosen meet the programme’s objective and provide long term value?

Does the option appraisal explore a sufficiently broad range of options to determine what the programme should look like?

Does it include sufficient evidence from a variety of sources?

What assumptions have been made?​

Is the project brief consistent with the chosen option?

Has a pilot scheme/feasibility study been considered?

Has there been learning from previous/similar programmes?

Has consideration been given to the need to demonstrate good practice?

Essential evidence:

* Option appraisal – should be included in business case (for investment programmes) or impact assessment (for regulatory programmes)

##### 5 Business case: Does the business case demonstrate value for money (VFM) over the lifetime of the programme?

Have the achievable benefits and outcomes been defined?

Is the funding secured?

Is there a credible estimation of all costs, appropriate for the stage of the programme?

Does the cost include the cost of enablers?

What evidence is there that the timescales are realistic?

Are decisions through the life-cycle made with regard to VFM?

Essential evidence:

* Cost benefit analysis for the full programme – likely to be included in economic case. The financial case should highlight funding and affordability issues.
* Accounting Officer’s assessment of feasibility or value for money – departments will be expected to publish a summary of all such assessments made from 1 April 2017, for major projects within the Government Major Projects Portfolio which receive Outline Business Case approval after that date, or for existing projects where the need for a further assessment has arisen and been approved after that date.

##### 

##### 6 Costs and schedule: Has the programme built up robust estimates of cost and schedule, including all programme components?

Have programme cost and duration​ estimates been developed through use of systematic and appropriate methods?

Do the cost estimates cover all elements of the programme?

Have the estimates been validated?

Is it clear where costs have been excluded?

Do costings make allowance for risk?

Does the programme have identified contingency sums aligned with the risks and uncertainties in the estimated cost components?

Does the programme schedule have the majority of its tasks on the critical path or is there some flexibility in the scheduling of individual tasks?

Does the programme record and continually update its critical path?

Are realistic milestone dates consistently reported to leadership and the organisation?

Essential evidence:

* Breakdown of programme cost into main components - cost categories/ contract packages, programme management overhead) including allowance for risk.
* Planned start and end dates of programme phases and changes to these schedules during the programme.

##### 7 Benefits: Does the programme: have a baseline, know what measurable change it is going to make, and actually measure it? Are benefits being achieved?

Has the needs analysis for the programme established the current baseline performance?

Does the programme have clear objectives that relate to measurable change?

Are there identified programme benefits and ways of measuring achievement of those objectives?

Is there an appropriate plan to establish what information needs to be captured to measure future changes in performance?

Is there a commitment to monitoring the performance to support evaluation of the programme?

Is there a commitment to review performance against the plan and to determine whether the programme has delivered the intended benefits and outcomes?

Is the programme on track to deliver intended benefits?

Essential evidence:

* Estimates of benefits – how compiled. Likely to be in economic case
* Benefits realisation plan/strategy
* Gateway review 4 – readiness for service and 5 – benefits realisation

#### Programme set-up

##### 8 Governance and assurance: Are there effective structures (internal and external) that provide strong and effective oversight, challenge and direction?

See also [*16 – Reporting*](#_16_Performance_management:)

Is there a suitable governance structure for the programme?

Are there clearly defined roles and responsibilities?

Is there a distinct programme management team with authority and responsibility for delivering the programme?

Does the organisation’s board receive timely and accurate reports on programme progress?

Is the programme integrated into the wider planning and development of the organisation?

Are the programme and oversight teams realistic about their ability to deliver and implement the programme successfully?

Do the programme sponsor and other senior stakeholders receive independent assurance on the programme? Has the programme board responded proactively to external assurance reviews?

Essential evidence:

* Programme board terms of reference
* If relevant, framework document for/contract with delivery organisation
* Infrastructure and Projects Authority and Major Projects Review Group reviews
* Regular reporting of progress and issues to Senior Responsible Owner (SRO), and from SRO to organisation

##### 9 Leadership and culture: Does the programme have strong leadership with the necessary authority and influence?

I.e. Is there a suitable Senior Responsible Owner (SRO) and Programme Director who can make decisions and has the support needed?

Does the programme leadership have the appropriate knowledge, personal attitudes and skills required to deliver the programme?

Is the leadership suitable for the role?

Are the leadership’s decisions accepted by stakeholders?

Can the programme leaders give their roles the personal time and priority needed to fulfil their duties and responsibilities?

Does the programme leadership exhibit personal ownership of the programme and provide clarity of direction?

Is there an identified programme sponsor ensuring executive commitment and oversight at the organisation’s highest level? (This may be the Senior Responsible Owner if they are part of the senior management team).

Essential evidence:

* SRO appointment letter (Osmotherly Rules)

##### 10 Resources: Has the organisation the resources (staffing, capability, equipment, etc.) required to deliver the programme?

To what extent does achievement of the programme depend on external consultants?

Does the organisation have the required skills, experience and commitment appropriate to the stage of the programme?

Has the organisation assessed whether skills are available in government to deliver the programme and other concurrent and upcoming priority programmes?

Has the organisation considered the potential costs of securing skills that are in short supply? Is there an appropriate level of programme management expertise in place?

Are there communication links between the programme team, and those responsible at a senior level for current and future operational model?

Are the resources deployed in the right places?

Is there sufficient capacity to deliver the programme?

Does the programme team have access to support services outside the core team, e.g. legal, commercial, evaluation analysis?

Has the (core) programme delivery team been involved in the design of the programme and/or are they confident of their understanding of the programme and its deliverability?

Essential evidence:

* Organisation chart with numbers and roles.
* Recruitment Plan for key posts within the programme.

##### 11 Putting the programme into practice: Are scope and business requirements realistic, understood, clearly articulated and capable of being put into practice?

See also [*18 – Transition*](#_18_Transition_to)

Has the programme been defined clearly?

Does the programme definition take into account likely business and external changes?

Have stakeholders endorsed the arrangements for delivering the programme?

Is there appropriate staff training and support in place to deliver the programme and effect business change?

Has the programme identified enablers to achieve its objectives (e.g. people, policies, funding, processes, partners, technology)? Are they in place?

Does the organisational risk management plan include risks associated with the operation of the service or capability?

Is there an appropriate disaster recovery plan?

Essential evidence:

* Programme brief, programme definition or programme initiation document
* Plan for implementing programme
* Operational risk management plan

##### 12 Risk management: Are key risks identified, understood and addressed?

Has the programme adopted a systematic approach (e.g. horizon scanning) to identifying and considering risks?

Have foreseeable risks been identified and assessed?

Have risks been appropriately analysed to assess both the likely occurrence and the potential impact and produce a prioritised management strategy?

Have key risks been allocated an owner and a management plan in place?

Are there systematic criteria for escalation?

Have risks associated with using innovative approaches / solutions been taken into account?

What contingency plans are in place and how would they be activated?

Essential evidence:

* Risk register with regular updates

#### Delivery and variation management

##### 13 Delivery Strategy: Are there appropriate incentives for all parties to deliver (contractual, performance management, or other)?

Is there evidence that different ways of delivering the programme have been evaluated?

Has the programme been appropriately tendered and contractors/partners using a defensible process?

Is there appropriate sharing of risk and reward between parties?

Are risks owned by the parties best placed to manage them?

See the in-depth tools in the interactive framework for more detailed questions on specific delivery strategies. For instance, [Commercial and contract management: insights and emerging best practice](https://www.nao.org.uk/report/commercial-and-contract-management-insights-and-emerging-best-practice/) covers issues with risk transfer.

Essential evidence:

* The delivery strategy, including a procurement strategy if appropriate

##### 

##### 14 Change control: Is there an effective mechanism to control programme alterations?

Are changes considered in the context of the programme as a whole?

Who has what authority to agree changes (cost, time and quality)?

Essential evidence:

* Record of changes to definition of the programme (e.g. changes in scheme design, changing requirements or objectives), and accumulated cost and value-for-money implications.

##### 15 Responding to external change: Is the programme sufficiently flexible to deal with setbacks and changes in the operating context?

Is the programme team aware of any changes in other policies and programmes that impact on the programme? Has the programme responded to those changes?

Has scenario planning been used to check the programme’s assumptions?

Which identified risks have materialised and with what effect?

Essential evidence:

* Strategies for managing risks and issues, plans and risk register

##### 16 Performance management: Is progress being measured and assessed including consideration that the programme is still the right thing to do? Are benefits being achieved?

Does the programme leadership receive regular and timely reports including information on:

* Progress and milestone achievements against plan?
* Reports on individual work packages / streams?
* Resources and funding used to date (and compared to expectation and progress)?
* Confidence in forward plan / updated plan from team and suppliers?

What parameters have been set around the planned performance / delivery of the programme as acceptable?

Is there evidence that action has been taken to address problems?

Does the evidence indicate that the programme is delivering / on track to deliver its objectives and intended benefits?

Is there systematic reporting against clear criteria that reduces reliance on individual judgements?

Are cost and delivery indicators integrated, or at least aligned, to provide an overall value measure?

Essential evidence:

* Programme dashboard or other reporting on progress of work packages
* Key metrics used to measure progress

##### 17 Lessons learned: Is the programme learning from experience on the current programme and previous relevant programmes?

If the organisation has attempted similar programmes, has it avoided repeating any mistakes made in those programmes?

Is there evidence of learning from programme performance information?

What caused deviations from plan (over/under-runs)? Are these likely to reoccur / knock-on in subsequent stages?

Essential evidence:

* Evaluation strategy/plans
* Evaluation reports
* Gateway 5

##### 18 Transition to business as usual: Does the programme have a clear plan for transfer to operations / business as usual?

Have stakeholders endorsed the requirements for absorbing the programme's aims into ongoing operations?

Is the organisational structure appropriate for the new operational context?

Are revised operational procedures appropriate and in place?

Has responsibility for benefit realisation been allocated to operational business units?

Does the completed programme satisfy the organisation and key stakeholder requirements?

Has sufficient and relevant learning, guidance and experience been migrated from the programme team to the operations team?

Essential evidence:

* Plan for implementing programme

## How the NAO can help

If you have any queries about this framework or suggestions for how it can be improved, please use the [contact form](https://www.nao.org.uk/contact-us/contact-us/) and select Value for Money methodology.

© National Audit Office 2017