East Midlands Improvement & Efficiency Partnership

Effective project planning: PIDs and outcome milestones

Guidance material

September 2009
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Introduction – purpose of the document

This guidance document is designed to support you with PID and outcome based milestone development

The document provides an overview of:

- What the purpose of a PID is
- What makes a good PID
- How to complete the EM IEP PID template
- What outcome-based payment milestones are and how they differ to output-based milestones
- Examples of outcome-based milestones for different types of project

This document builds on the half-day training session that was held on the 8th September 2009
What is a PID? – overview

A P I D is a report that acts as a project blueprint

A Project Initiation Document (PID):
- Is a report that should be produced by the project manager before a project is started
- Is a description of the project
- Gives the direction and scope of the project and forms the ‘contract’ between the project management team and the corporate or programme management team (in this case the EM IEP) about what will be delivered and how
- Records all of the management information about the project, e.g. accountability, roles and responsibilities
- Ensures that the project has a sound basis and is realistically scoped before any resources are attributed to it
- Acts as a baseline for what the project is expected to achieve and should be used on an ongoing basis to check progress against what was predicted
- Contains cost information about the project
- Is produced as part of an iterative process
What is a PID? – timeline

A PID should be produced at the start of the project but referred to throughout the project timeline

1. At the start of the project:
   Produced by project manager or project management team

2. Reviewed and accepted:
   Once it has been developed, it will be reviewed and accepted by the EM IEP project board. At this stage the PID is signed off and then acts as a record of the project’s original aims and objectives

3. Ongoing review:
   Risks, timelines, benefits sections etc. used on an ongoing basis to check project progress. These sections should be treated as ‘live’

   Can undertake end of stage reviews. As the project progresses and reviews take place it is important to check back against the original PID to see whether it has diverged from the aims set out at the start of the project. N.B. There is a highlight report template to complete

4. End of project review meeting:
   Review project against original aims in PID
A PID should contain answers to the following questions:

- **What** is the project trying to achieve?
- **Why** is it important to achieve it?
- **Where** will the project be achieved? (e.g. within a particular service or geographical area?)
- **Who** is going to be involved in managing the project and what will their responsibilities be?
- **How** and **when** is the project going to happen?
There are several requirements of all projects that request EM IEP funding

- All EM IEP funded/part-funded projects must have:
  - A completed Project Initiation Document (agreed with the project sponsor and signed off by the JIP programme board)
  - An outline of outcome-focused payment milestones (used to draw down the grant and report to the EM IEP member board)

- Therefore all officers making funding requests need to:
  - Be capable of completing the agreed PID template to a standard that assures EM IEP that the project has been fully and realistically scoped
  - Understand the concept of outcome-focused payment milestones and identify appropriate milestones for their own projects
There are useful guidelines about the Investment Principles for East Midlands projects (1/2)

- Projects and activities commissioned should be compliant with the nominated accountable body’s procurement guidance and project management principles

- Regional programmes should deliver outcomes that will contribute to the improvement of authorities’:
  - Efficiency (cashable savings)
  - Service delivery (LAA targets)
  - Capacity

- Regional improvement and efficiency programmes will need approval by the EM IEP Member Board before funding can be allocated

- A project profile for each project within the regional programme should be completed (utilising the EM IEP project profile template)
There are useful guidelines about the Investment Principles for East Midlands projects.

- Payments of EM IEP funding will be made against the delivery of key project delivery milestones, as outlined in the project profile (using the payment of EM IEP funding template).

- Regional Programmes are required to report every six months on their programme delivery progress to EM IEP Officer and Member Boards. These contributions will be included in the EM IEP Annual Report.

- On the completion of projects, where appropriate, a case study will be developed to disseminate the learning and best practice.

- If authorities fail to implement projects, funds should be recouped by the Board in order to fund other projects.

- Invest to save principles should be applied whenever possible so that resources can be recycled back to future regional activities.

- Projects should involve two or more partners in the region and be structures, wherever possible, to allow other partners to join at a future date.
There is a standard PID template for EM IEP projects with 12 sections

1. Project background/context
2. Objectives
3. Project scope
4. Constraints
5. Assumptions
6. Outline business benefits
7. Project approach
8. Project budget
9. Project plan and milestones
10. Project organisation structure
11. Project communication plan
12. Risks

The following slides highlight what should be contained in each section
1. Project background/context

- Brief description of the background to the project.
- Any relevant:
  - historical and strategic information
  - local/regional policy drivers
  - national policy/statutory requirements
- Why is there a need for this project?
- Brief statement of the problem, opportunity, or requirement that the project needs to address.
2. Objectives

- What is the project going to achieve?
- What is the project going to do?
3. Project scope

- What is included in the project?
- What isn’t included?
- Why?
4. Constraints

- Limitations on the project e.g. time or funding limits
5. Assumptions

- What estimates/educated reasoning have you used to apply to your business case?
- What have you assumed to be true e.g. that the funding will be available?
- What dependencies have you assumed?
- What commitments from the region have you assumed?
6. Outline business benefits

- Qualitative and quantitative benefits
- How does the project support corporate and regional priorities?
- Return on investment information (mie tool)
- Efficiency savings
- Performance benefits
- Benefits to the individuals involved
- Why was the solution chosen and the advantages of that solution over others?

- N.B. All efficiency projects over £30K have to be run through the mie tool
7. Project approach

- What are you going to do?
- How are you going to do it?
- Why have you chosen to do the project this way?

- N.B. It might be useful to show this as a picture if there are several workstreams
8. Project budget

- What is the budget for the project split by year?
- How does the budget break down (e.g. staff, materials, capital costs)?
- Where have these figures come from? E.g. are they assumptions?
- This is refined throughout the iterative process
- Use mie tool to help the thinking process
9. Project plan and milestones

- Timeline for the project
- What are the main stages and the milestones at the end of each stage? When will they be achieved?
- What are the main deliverables of each stage?
- What are the resource requirements to meet those deliverables?
- What are the major control points of the project?
- When is EM IEP funding needed?

N.B. It might be useful to draw a diagram, e.g.:

![Diagram showing stages and milestones]
10. Project organisation structure

- What are the project governance arrangements?
- Who is on the project board?
- Who is the project manager and other team members?
- What are their roles on the project?
- Who will you, as project manager, report to and how will you report to them?
- Who are the project stakeholders and what does success look like for them?
- What are the specific roles and responsibilities of different team members?
11. Project communication plan

- What information is needed from stakeholders and when is it needed?
- Who will it be important to inform and consult about the project?
- When will this communication happen?
- How will you share best practice and communicate with the JIP programme board?
12. Project risks

- What are the risks of the project?
- How likely are they (scale of 1 to 5)?
- What will be the impact if they do happen? (scale of 1 to 5)?
- How can the risks be mitigated?
- What are the outcomes and impacts of such mitigation?
- Who will be responsible for ensuring that that risk is mitigated?
Hints and tips for completing PIDs

- Stick to bullet points and don’t ‘waffle’
- Try to keep it short and punchy but without compromising on the required detail (10-12 pages is a good target)
- Write in plain English
- Use diagrams if appropriate, e.g. for project approach or project plan – they can often get a point across a lot more simply
- Check through at the end to ensure that all sections have been completed
- Get your colleagues to review your PIDs and return the favour for them – its better to make changes before the PID is submitted
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What is an outcome? – overview

For all EM IEP projects project managers also need to complete a ‘Project Profile’

- The Project Description and Project Benefits can be taken from the completed PID
- The last section to complete is the Key Project delivery Milestones and EM IEP Funding Payment Profile
- In this you need to identify outcome-based milestones
- Outcomes are important to ensure that resources are having the desired impact on local authority customers
What is an outcome? – process

It can be difficult to identify outcome-based measures and people often revert back to outputs; however it becomes easier if you understand the process.

Activities / Actions
- Inputs
- Processes

Output
- Results of the activity

Outcomes
- Consequences / benefits of the output
- Change in wellbeing conditions

High-level objectives
- Regional objectives set by EM IEP e.g. “all relevant authorities achieving at least “performing well” in Adult services”

Completed in the PID

This is the section that we are focused on
What is an outcome? – example

Outcome-based measures are often easier to understand by using a real life, social care example.

**Activities / Actions**
- Inputs
- Processes

**Output**
- Results of the activity

**Outcomes**
- Consequences / benefits of the output
- Change in wellbeing conditions

**High-level objectives**
- Regional objectives set by EM IEP

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Adult social services officer undertakes an assessment of an Older Person’s care needs

Older person is awarded Attendance Allowance and adaptations to their home e.g. grab rails

Older person is enabled and supported to live at home and maintain independence

All relevant authorities achieving at least “performing well” in Adult services
What is an outcome? – guidelines

From work with various Councils we have identified differences between output and outcome based approaches

**Output Based Approach (Traditional)**
- This focuses on ‘what is done’
- It is good for identifying opportunities to improve efficiency in task delivery
- It encourages incremental change
- But, there is a potential for inefficiency in use of resources
- Focusing on outputs can make you worry about the wrong things, e.g. measuring number of calls received by a contact centre encourages contact centre staff to hand off calls quickly, whereas measuring first point of contact resolution better enables the achievement of customer satisfaction

**Outcome Based Approach (Emerging Prominence)**
- This focuses on what you want to achieve for customers
- It builds clarity of purpose
- The approach works best if delivered across multiple services
- It tests whether actions are doing what you want them to do
- It offers greater opportunity to improve use of resources by focusing on what achieves desired outcomes
What is an outcome? – summary

In summary – what outcome measures are and aren’t

✓ Focused on what is going to change at the end of the project (the results)
✓ A level of performance or achievement
✓ Focused on local customers (internal and external), places and businesses
✓ Aligned with strategic/national indicators
✓ Targeted and unambiguous
✓ Time-specific

✗ The ‘thing’ at the end of a process
✗ Something that you can physically ‘get your hands on’
✗ Complicated or immeasurable
Outcomes in the East Midlands

It is important to understand how outcomes are used in EM IEP projects.

- Outcome-based milestones are required to split the funding that is allocated to a project e.g. funding is allocated to a timeline dependent on achieving specific targets.

- There are two purposes of completing the outcome-based milestones for EM IEP projects:
  - To help you as a project manager to identify the outcomes resulting from your project-based milestones.
  - To provide the Board which is signing off the project with further information about what you expect the project to achieve and when.

- Therefore it is useful to write outcome-based measures that meet both requirements:
  - To do this, write the output and what outcome this leads to.
  - This will ensure that you as a project manager know exactly what you need to achieve and also that the IEP partnership and programme boards know exactly what the project will achieve at each stage.
  - E.g. Completion of output X which will result in achievement of outcome Y.
Outcomes in the East Midlands

It is important to understand that there are different types of outcome based measures dependent on the type of the project and the stage in the project.

- There are different types of outcome-based milestone based on the type of project, e.g.:
  - Regional project measures are likely to be targeted on the local authorities as the ‘customers’ who benefit at the end of the project.…
  - …. whilst sub-regional or local authority projects are likely to be targeted on local citizens.
  - Efficiency project measures are likely to be trying to achieve a positive outcome in relation to budget (i.e. the customers are Members or executives)…. 
  - … whilst improvement projects are likely to be focused on trying to achieve a positive outcome for specific pockets of the local population.

- There are also different types of outcome-based milestone based on the stage in the project
  - The final milestones are the outcomes on the customers (internal or external) e.g. *Implementation of the new electronic procurement system for all older peoples residential care provision which will result in better rates and a higher standard of care for older people as all suppliers are appropriately vetted and on a preferred list*.
  - The milestones throughout the process are those that support progress to achieving the final outcomes e.g. *Completion of the procurement process which will result in procurement of a fit for purpose electronic procurement system for residential care provision*.
Outcomes in the East Midlands

All project outcomes should feed into at least one of the East Midlands high level objectives (N.B. It is likely that projects will feed into several)

- All relevant authorities achieving at least “performing well” for Adult Social Services
- All relevant authorities achieving at least “performing well” for Children’s Services
- All relevant authorities achieving a score of at least 3 out of 4 for looked after and safeguarding children
- All CAA organisational assessments (councils and partner bodies) are assessed to be at least “performing well” or equivalent
- All authorities scoring at least level 3 in use of resources
- All 9 LAAs achieving 75% of their targets
- All authorities achieving their annual efficiency savings target
- All local authorities paying at least 95% of non disputed invoices within 30 days
- All authorities to reduce DWP key performance indicator 1, i.e. “the average number of days to process new benefit claims to below 20 days”
- The 8 LAAs within NI 1, “the percentage of people who believe people from different backgrounds get on well together in the local area”, should increase their percentage to the target established in their LAA
- The 8 LAAs with NI 117, “Not in Education Employment or Training” (NEET), to achieve each target
- All authorities to reach their NI 185 target, “reduction of CO2 from local authority operations”

It will be useful to refer to these when you are producing your outcomes to make sure that they support these objectives
Examples of outcomes

Some potential examples of outcome- versus output-based measures

**Outcome-based measures**
- Customer perception of the cleanliness of their street
- Frozen Council Tax levels
- 10% decrease in Child Obesity
- % people gaining 5 A* to C

**Output-based measures**
- Number of Initial Assessments completed within 9 week period
- Number of tonnes of detritus collected per mile of road swept
- 4% reduction in the spend on facilities
- 100% attendance on a training course
Examples of outcomes

Some additional examples which emerged in the training session are:

- Delivery of six workshops on service redesign so that local authorities have available models of good practice that will enable them to offer more choice of services to users and carers.

- Each authority has a plan that identifies their efficiency savings (i.e., £250k net gains by end of September 2009), which enables them to manage their budget effectively.

- To maintain quality and deliver efficiencies for local authorities in their commissioning role in residential care through the introduction of a preferred provider list.

- Utilise regional collaborative sites to enable improvements in support for carers of people with dementia by ensuring inclusion of carer support plans in pathways.
Outcomes – hints and tips

Hints and tips for producing appropriate outcome based milestones (1/2)

- Try to follow the set pattern as it is often easier to start from the output and then follow this through to an outcome:
  - Output X which will result in Outcome Y or
  - Outcome Y which is achieved through Output X

- Cross-reference the East Midlands high level objectives.
  - Project outcomes should be a level below these
  - All project outcomes should feed into at least one high level objective

- Re-read your outcome milestones after producing them and make sure that you can’t say ‘so what?’ at the end – if you can then the milestone is an output not an outcome

- Consider producing a ‘tree diagram’ to structure your thinking (see next slide)
Outcomes – hints and tips

Hints and tips for producing appropriate outcome based milestones

- It may be helpful to produce a ‘tree diagram’ to structure your thinking:

  - This is the final outcome
  - These are the outcomes at the end of a stage of work
  - These are the outputs/activities that will lead to achieving the outcomes
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