



Gorton Education Village

The Manchester Method -  
Gateway Process and Training Programme

<b>Organisation:</b>	Manchester City Council
<b>Case Study Ref:</b>	328
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<b>Region:</b>	North West (Manchester)
<b>Sector:</b>	Local government
<b>Project value:</b>	£1,787 million
<b>Project Timescales:</b>	2002 - ongoing
<b>Themes:</b>	Business Improvement
<b>Number of staff:</b>	25,500

The establishment of the generic 'Manchester Method' and the introduction of a training programme is widely regarded as a great success. It has transformed the delivery of projects in Manchester and has attracted national interest.

"For Manchester City Council success was envisaged as skilled staff managing complex projects to time, cost and quality, creating a resource to improve on the delivery of the Council's objectives"

Director, Capital Programme

In 2002 Manchester City Council (MCC) launched a hugely successful initiative designed to deliver improvements in their performance. The initiative involved the introduction of a standardised approach to project management, a Gateway Review Process and a supporting programme of staff training. This is the first time a standardised approach for project management has been applied across all departments in Manchester City Council.

As a result of implementing this initiative Manchester City Council is now associated with project management best practice. The approach has attracted the attention of other local authorities and has resulted in over 75 other councils and associated partners including the police and fire services expressing an interest in, and in many cases, adopting the Manchester City Council approach. On a wider stage, MCC's initiative has received recognition from the Office of the Deputy Prime Minister (ODPM, as was) and Office of Government Commerce (OGC).

Within MCC the initiative has also been well received at all levels. The new approach and supporting training has formalised the delivery structure of projects, provided a common language, improved communication and up-skilled staff. By 2007 over 1,200 staff had attended the training - the 'Fundamentals of Project Management' - which has promoted a project delivery culture and the sharing of best practise throughout the organisation. The training has promoted 'home grown' project managers, adding value by actively responding to a previous and future forecasted skills gap and, in turn, reduced the councils dependency on (and the associated costs of) external consultancy.

As a result of the effective training programme MCC has won a number of awards: in 2005 the National Training Award (the UK's number one accolade for those who have achieved lasting excellence and success through training and learning); in 2006 an Award for Excellence from the Learning and Skills Council; and in 2008 the North West Construction Awards for Skills and Education and Business. MCC also made it through to the UK Finals for the Association for Project Management (APM) awards. These awards reflect the invaluable contribution that project management practice and project managers make in all sections of society. MCC was selected as a finalist in the Community Project of the Year category.

Manchester City Council's business improvement initiative started in September 2002 when a unit was formed and given the title of Capital Programme Group (CPG). The goal of the Group was, and still is, to increase the surety of MCC's Capital Programme and sitting under this overarching goal were the following objectives to:

- Provide an understanding of the strategic importance of project management to the organisation
- Clearly define roles and responsibilities for project owners, board members, project managers, project support teams and other key stakeholders
- Provide new project managers with technical skills to manage projects successfully
- Formalise and support the skills of existing project managers.

To achieve these objectives a director was employed and staff from special projects were attached to the group. The small team had a remit to develop a simple yet coherent project management strategy to support their objectives.

A four-phase strategy was developed to achieve improvements in performance. The strategy was to:

- Promote cultural change through introduction of a standard method for project delivery
- Improve project scrutiny through introduction of an internal 'gateway' approval process
- Automate the methods to support collaborative working
- Create a 'Centre of Excellence' for programme and project management

The strategy was designed to allow effective sharing of information between departments and provide a standard 'Best Practise' approach that could be easily understood by both experienced and new project managers working with and for Manchester City Council.

'The Manchester Method is a means to an end, to benefit the community in the delivery of a wide range of projects'

Business Manager, Capital Programme

### **Standardised Methodology for Project Delivery**

The Capital Programme Group's (CPG) first major challenge was to introduce a generic process for the delivery of capital projects. The initiative had the potential to change the way in which a large and very diverse local authority delivered all of its projects in the future. This in turn would lead to an increased 'in-house' capacity for project delivery, as well as provide better products and services for the benefit of the community in Manchester.



*The Urbis Exhibition Centre*

The approach developed by the CPG was based on best practice in line with an ODPM directive, PRINCE2, which could be adopted by all service departments. This standard, generic approach provided a 'framework of common sense', based on guidance from the Association for Project Management (APM) Body of Knowledge. After much discussion the Working Group adopted the strategy for:

- the creation of a Project Management Handbook
- training provision; and
- a basic approach to risk analysis.

It was imperative for the Handbook to be generic in its approach to suit all departments within the City Council. The Handbook was based on PRINCE2 in line with central government guidelines but more easily digestible.

This approach is now known as the 'Manchester Method': this name was important in aiding the promotion of the initiative within the Council. The first version of the Manchester City Council Project Management Handbook was published in 2003. To support the handbook it was decided to appoint an external training partner to deliver the training to project owners, board members, managers and support staff. The provision of training was an important component of this first phase of the strategy.

The training programme 'The Manchester City Council Fundamentals of Project Management' was launched in the summer of 2003. This training initiative has been pivotal in introducing a common language approach and continues to change the culture for managing and monitoring the delivery of projects. Going forward, an internal 'Centre of Excellence' (Phase four), which in essence is a pool of experienced and qualified programme and project managers at departmental level, will help to promote best practise and offer guidance to others engaged in project delivery.

### Gateway Review Process

Phase two of the strategy saw the introduction and administration of a scrutiny and approval process. The new scrutiny process, the Gateway Review, was introduced to ensure corporate and strategic fit for programmes and projects and to ensure better application of corporate priorities.

There are eight Gateways covering the complete project lifecycle from mandate to financial completion joining up existing appraisal functions involving the right people at the right time, adding value to existing procedures. Gateway was designed to be fully compatible with the Manchester Method and complementary to the external National Gateway process.

Gateway 0	Idea (Mandate)
Gateway 1	Strategic Fit (Gateway Review Group)
Gateway 2	Corporate Fit (Strategic Management Team)
Gateway 3	Detailed Bid Appraisal (Gateway Review Group)
Gateway 4	Budget Approval (Executive and Council)
Gateway 5	Spend and VAT Approval (CT and Exec Member Finance)
Gateway 6	Project Completion (Practical Completion)
Gateway 7	Project Closure (Financial Completion)

Executive Members approved the new concept in December 2003 and in July 2004 the Strategic Management Team approved detail operation. The process was formally launched in August 2004 following consultation with Service Departments, Corporate Finance and Internal Audit with sign off from the Strategic Management Team.

Documentation and pro-formas have been introduced for capital bids, spending approval and VAT sign off together with a simple checklist for each Gateway. The scrutiny process is intended to be flexible and can be refined further to include central government initiatives where appropriate, for example the inclusion of 'cashable' and 'non-cashable' benefits in line with the Gershon Report.

Four years on the process has been used successfully to appraise, scrutinise and monitor in excess of 800 programmes and projects. The process has promoted a structured approach improving the consistency of evaluation by adding more rigour and effective scrutiny. Scrutiny is applied not only to project finances but also the set-up of the project. It has delivered on its objectives, promoting innovation and joined up thinking, improving coordination as it focuses on programmes to achieve best value. It has also enabled an effective strategic review and location appraisal for all projects as well as improving the allocation of corporate resources.

As a result of the Gateway Review Process, summary information on capital projects and programmes is now entered into a bespoke Geographical Information System (GIS) database. This database supports location appraisals with reference to primary and secondary service clusters and regeneration master plans, allowing new projects to locate existing projects. Templates have simplified and coordinated the reporting requirements at key stages such as bid submission, approval to spend and VAT sign-off. The process is recognised by senior managers who regard it as a useful tool for rigorous evaluation and monitoring of projects.

Staff approach the process with a positive attitude as they understand and recognise the importance of the Gateway Review after observing its benefits over a very short period of time. It is now regarded as a standard approach adding considerable value. The approach adopted throughout the initiative was to create a culture of "I want to adopt this approach because it adds value" rather than "I have to do this because the corporate centre have told me to".



Haveley Hay Opening

## The Manchester Method and Gateway Review Process in Use – What are the benefits:

- Over 1,200 internal staff qualified at fundamental level on the Project Management training programme
  - Of those trained, 87 have progressed to gain a formal qualification as a PRINCE2 Practitioner
  - For the first time, projects are formalised and delivered in a structured way to a generic method that is marketed as a 'framework for common sense' based on guidance from the APM Body of Knowledge
  - Manchester City Council's project delivery culture has changed dramatically with improved organisation, better communication and a common language
  - Senior Responsible Owners (SRO) and project managers have been assigned to all approved projects and monthly progress Red-Amber-Green (RAG) reports are now standard practice
  - All projects have common project documentation based on PRINCE2 templates that have been adapted for Manchester City Council
  - Project risks are given due consideration: risk owners are assigned and risks are managed proactively
  - The initiative has had an important impact upon the prospects for recruitment and retention of programme and project management staff
  - In-house capacity and competencies have been enhanced and the medium term prospect is that current spending on Programme and Project Management (PPM) consultancy will be reduced
  - Enhanced reputation through the adoption of best practice. To date, over 75 other authorities and associate partners in the public sector have expressed interest in, and in many cases adopted, the MCC approach
  - PM tools associated with this project have been utilised in a Central Government initiative as a standard for all local authorities
  - Improvement in project delivery, time and cost measured via key performance indicators, bringing surety to the Capital Programme
- Standard templates used in the method are available on the Project Management intranet site and are embedded within the Project Management reporting system that is designed to support project delivery, progress reporting and collaborative working
  - The Gateway process aligned with the Manchester Method aims to standardise the basic process for Project Management and achieve a consistency of approach and best practice across all Council departments
  - A strategic and corporate fit for every project is ascertained at the earliest stages so as not to waste time and resources on a non-starter project. This has resulted in: -
    - 65% of projects being approved at Gateway 1 (This means that 35% of projects have been filtered out at an early stage)
    - 98.5% of projects being approved at Gateway 3
  - The Gateway process has been successfully introduced and implemented in all MCC departments, and all projects to receive capital funding must use this process
  - It has accelerated certain procedures, such as VAT approval
  - Capital spend has increased year on year, and projects are operating to time/cost as a direct result of this process. For example: -
    - 90% of projects delivered within +/-5% of cost (December 2007)
    - 88% of projects delivered within +/-5% of time (December 2007)

### Critical Factors to its Success

- The knowledge, experience and enthusiasm of key individuals in the implementation of the initiative were invaluable, contributing significantly to the success of the initiative
- Without 'top level' support the introduction of the standard project management methodology would not have been possible. It was also important to gain the early involvement of key players within the organisation
- The importance of specialised knowledge: collaboration with experts was vital involving the right people at the right time. Such knowledge was very influential in the change management process especially when dealing with contentious issues



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