Transport for London

Projects and Planning Panel

Subject: Review of Project Sponsorship in TfL

Date: 8 January 2013

1   Purpose

1.1   This paper presents TfL's management response to the recommendations made by Turner & Townsend (T&T) in its report dated September 2012 and titled 'Systemic Review – Portfolio, Programme and Project Sponsorship – Transport for London'. Appendix 1 sets out the detailed response to each recommendation.

1.2   The Panel is asked to note the management responses summarised in this paper.

2   Background

2.1   On 25 August 2011 the Independent Investment Programme Advisory Group (IIPAG), in its report 'Sponsorship within TfL', raised concerns regarding sponsorship of TfL's capital programme. T&T was commissioned on 1 December 2011 to undertake a systemic review of sponsorship in TfL. T&T made 20 recommendations. TfL's management response to those recommendations is set out below.

3   Response to T&T's recommendations

3.1   TfL welcomes the T&T report and is supportive of the majority of its recommendations. The report reinforces the ongoing work of TfL to clarify the role of the sponsor, building on best practice, guidance from government and learned bodies such as the Association for Project Management as well as the Nichols report on project management capability in London Underground (August 2011).

3.2   .

4   The Role of the Sponsor

4.1   T&T made comments to clarify the role of the sponsor as set out by the IIPAG in its report. TfL supports the clarified definition. The principles are reiterated below, quoting the IIPAG and T&T as appropriate.

4.2   The broad principles of sponsorship set out below apply irrespective of the organisational structure and the job title of the holder of the roles described. The principles agreed within this report will apply to any future organisational change.

4.3   The sponsor acts 'as internal client' and provides 'leadership during the project development in order for the project to be commercially effective and efficient'[IIPAG]. *TfL doesn't use the term "client" as this can imply "employing/ commissioning party but the principle is understood and agreed".*

4.4 The IIPAG also recommends that sponsors 'later hold others to account for adhering to the delivery of the business case throughout the scheme implementation and acceptance.' TfL proposes that the sponsor is accountable for determining the business case, obtaining funding and setting performance, operational, timing, closure and other requirements (supported by the Deliverer). The Deliverer (normally the project manager) will be accountable, via the respective Operational Board of the sponsoring business unit for delivering in accordance with those requirements. The sponsor will remain accountable throughout the life cycle for ensuring that the requirements remain valid and that the business will be able to satisfy the business case.

4.5 'The sponsor develops the transportation/business case in line with overall TfL strategy.' [IIPAG]

4.6 'The sponsor leads, prepares and manages the business case.' [IIPAG]

4.7 The sponsor 'leads, holds and stewards the budgetary responsibilities that "pay" for the scheme.' [IIPAG]

4.8 'The sponsor manages change control.' [IIPAG] That is those 'changes that impact time, cost, quality objectives and/or performance scope requirements." The Deliverer is to have authority within a defined level, sufficient to manage delivery and any contractual obligations.

4.9 Sponsors 'agree the trade-off and balance between renewal, enhancement and maintenance cost related to the scheme initially and in its forecast life cycle.' [IIPAG]

4.10 Sponsors 'steward the investment performance to maximise returns from investments in the scheme.' [IIPAG] This is achieved through maintaining an overview of the project, ensuring it remains on target to deliver the desired benefits; it should not duplicate or confuse the accountability of the deliverer.

4.11 The sponsor 'supports the team in its endeavours to deliver the business case'. [IIPAG]

4.12 The sponsor 'develops options in conjunction with internal operators'. [IIPAG]

4.13 'Sponsor focus should be on required performance specification and operational outcomes. The sponsor should facilitate "sign off" by the user/maintainer of the functional specification developed by the Deliverer.' [T&T]

4.14 Sponsors should 'ensure synergy across the TfL portfolio.' [IIPAG]. In addition the deliverer can provide synergy of resources, best practice etc. across the delivery community.

4.15 Sponsors 'secure clarity with, and maintain relationships with, the Programme Delivery team'. [IIPAG]

4.16 The sponsor issues 'instructions to the internal programme/project management team' [IIPAG] within their remit. This is on the 'clear understanding that the sponsor is accountable for the [consequent] impacts on time, cost, performance and scope." [T&T]. Instructions are issued by the sponsor in the form of authorised change controlled documents.

5 Application of Broader Recommendations

5.1 For Surface Transport, Specialist Services, IM and transformation projects an executive level sponsor will be appointed, with support of a 'Sponsor's Agent' to assist her or him in performing that role.

5.2 In Rail and Underground (R&U), the Strategy and Service Development Director will be the Executive Sponsor for R&U programmes. Sponsors will be appointed for individual Investment Programmes.

5.3 The roles of sponsor and Sponsor's Agent (who will act for the sponsor in day-to-day activities) will be defined and TfL will invest in training development and support of sponsors, Sponsor's Agents and those who work with them to secure the success of each investment.

5.4 For R&U, 5-10 year Asset Management Plans (AMPs) will be developed by 'Asset Strategy Managers' reporting to the S&SD Director; Asset Managers reporting to the APD Director (and for Tube Lines, the Operations Director) will prepare and deliver in accordance with Annual Asset Maintenance Plans(AAMPs). The APD Director (and Tube Lines Operations Director) will sponsor any projects required by the AAMPs.

5.5 The provision of technical and engineering support to sponsors is considered to be working well; no changes are currently planned.

6 Implementation

6.1 The recommendations in this paper will be incorporated into the change programmes as noted below, although the exact timing needs to take account of organisational reviews in progress in both Rail and Underground and Surface.

6.2 TfL has included the above definition of sponsorship, and the management response to T&T's recommendations, in its design of the integrated programme and project methodology ('TfL Pathway').

6.3 The management response will also be taken into account in the further clarification of investment governance, resourcing, personal development and other workstreams within the Delivery Capability Programme and Commercial Capability Programme.

6.4 This will be a multi-functional transformation programme, working in concert with the organisational changes being planned for R&U and Surface Transport.

6.5 In accordance with 'The Plan' (which sets out London Underground's key programmes to achieve a step change in performance), the TfL Pathway design and all associated documentation will be ready to publish by 31 December 2012.

6.6 The detailed planning of the migration to TfL Pathway will be conducted through consultation with the business. Progressive implementation will commence in April 2013.

6.7 The planning of the implementation of the new approach to sponsorship will be conducted through consultation in parallel with that activity.

6.8 The role definitions and proposals in this paper will greatly increase clarity and the effectiveness of the sponsor, but success will depend on the behaviours of the parties involved. The business unit directors will need to reinforce the behaviours

expected of the respective roles. The effectiveness of these recommendations should be reviewed within six months of application.

7   Recommendation

7.1   The Panel is asked to NOTE the paper and the following recommendations, that:

   (a)   TfL accepts the Turner & Townsend report and comments as key guidance in the development of sponsorship at TfL;

   (b)   TfL accepts the TfL Programme Management Office will develop the principles and detailed application of sponsorship across TfL; and

   (c)   TfL will report to the Panel by the end of March 2013, with the proposed framework, progress achieved and further implementation plan.

8   Contact

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Turner & Townsend Recommendations and TfL Management Response

1 Sponsorship models and practice

1.1 Recommendation 1: Don't adopt a single sponsorship model across TfL.

1.2 Response: AGREED. The principles of good sponsorship will be described in TfL Pathway. This has been agreed through consultation and will apply across TfL. This builds on existing documented sponsorship processes articulated in the Management System; these were praised by T&T in their report. Pathway does not dictate who plays each part of the sponsorship role - we expect the model for sponsorship to be tuned to the organisational structure of the business unit concerned.

1.3 Recommendation 2: Clarify where 'Executive Sponsorship' in each business unit model should be held, and redefine sponsorship models and processes to reflect this.

1.4 Response: AGREED. For London Underground, Executive Sponsorship will be held with the Director of Strategy & Service Development. The process of sponsorship will be described generically in TfL Pathway released at the end of 2012. This may be subject to change as indicated above.

1.5 Recommendation 3: Where appropriate, support Executive Sponsors with Sponsor's Agents – these can be existing sponsors, with appropriate change in remits but there may be need for new role holders specifically selected for this role – subject to a suitable selection process.

1.6 Response: AGREED. The roles of sponsors and supporting roles will be included in the definition of 'job families' and these are currently being developed by PMO in conjunction with HR. These will be made consistent with sponsorship as described in TfL Pathway. In future TfL will select and appoint sponsors and sponsor's agents to meet these specifications. TfL recognises IIPAG's concerns that Sponsors should more robust. In future sponsors will be selected and developed to have appropriate skills and sufficient personal authority to operate as peers of those leading delivery.

2 Sponsor competence

2.1 Recommendation 4: Create a TfL sponsorship community, potentially under leadership of the LU S&SD Director.

2.2 Response: AGREED. The S&SD Director will act as the professional head of the community of sponsors and sponsor's agents across TfL.

2.3 Recommendation 5: Provide appropriate training, development and support to sponsors and sponsor's agents, including increased commercial awareness in order to provide effective oversight.

2.4 Response: AGREED.Further to recommendation 5, TfL will enhance its competency framework for sponsorship, assess sponsorship maturity and assess individual sponsors. The resulting information will then be used to determine development needs and design development programmes. TfL will invest in training, coaching and mentoring to develop the skills of sponsors and sponsor's agents, and those who

work with them, as part of a coherent development programme being designed through the Delivery Capability Programme. This will include increased commercial awareness for entire Programme and Project teams to ensure that TfL secures good value from its capital investments.

2.5   Recommendation 6: Review current sponsors and reappoint and/or appoint new sponsors and sponsor's agents (if required by selected model) to meet specific requirements of role.

2.6   Response: AGREED (in part).When fully developed, TfL will use the content developed as part of the performance review of current sponsors against the role as specified in Job families and TfL Pathway, and use when appointing new sponsors and sponsor's agents from current resources or through recruitment. (See response to Recommendation 3)

2.7   Recommendation 7. Review sponsor effectiveness within Corporate Gateway Approval Process, with incorporation of appropriate Lines of Enquiry within Gate Review Workbooks.

2.8   Response: AGREED. The Corporate Gateway Approval Process will be incorporated in the TfL Pathway, including appropriate Lines of Enquiry. The effectiveness of sponsors will be reviewed through TfL's personal performance and development regime.

3   Sponsorship within TfL Rail and London Underground

3.1   Recommendation 8: Change title of Asset Sponsors to 'Asset Strategy Managers' to more accurately describe this role, and reinforce the delegation of delivery accountability proposed under Recommendation 9.

3.2   Response: AGREED (in part). London Underground has moved to ensure that APD has full accountability for development and delivery of the Asset Maintenance Plan each year, with "sponsor" delivery forum on larger whole life asset management plans and strategy. Job titles will be reviewed in due course. The roles in Tubelines Limited (TLL) will need further assessment to see if this is appropriate within their unique commercial arrangements.

3.3   Recommendation 9: Delegate delivery of annual (1 year) AAMPs to APD with associated budget and delivery accountability, whilst Asset Strategy Managers retain accountability for development of longer term multi-year plans and focus on whole life cost and performance trade-offs.

3.4   Response: AGREED. Accepted, although the specific arrangements in TLL need further assessment to see if this is appropriate.

3.5   Recommendation 10: Strengthen Executive Sponsorship in LU through the sponsor role being applied by the S&SD Director for major LU Capital Programmes and Projects (e.g. Line Upgrades and major Station Capacity Upgrades), and the Maintenance Director for asset projects incorporated within 1 year AMPs.

3.6   Response: AGREED (in part). The management arrangements set out in response to Recommendation 1 will be adopted. The S&SD Director will be the executive sponsor for London Underground investment programme; sponsors will be appointed for individual Investment Programmes.

3.7   The APD Director will be the executive sponsor for projects in the AAMPs.

3.8   Recommendation 11: Appoint a small number (say, 2-3 no) Executive Sponsors for the remainder of the LU capital projects. These should have a direct functional report

to the S&SD Director, and have adequate status and delegated authority to ensure effectiveness of role.

3.9   Response: AGREED (in part). See response to Recommendation 10. Programme boards will be strengthened to include three executive directors. All sponsors and sponsor's agents will be delegated the appropriate authority in line with Standing Orders.

3.10   Recommendation 12: Monitor the effectiveness of the newly created Investment Committee and delegation of authority to Programme Boards in terms of resolving sponsorship/delivery issues without escalation to RUB. If there is no improvement in terms of escalation to RUB then this must be addressed through creation of a more effective RUB sub committee and even greater delegation.

3.11   Response: AGREED. The role of boards, including Programme Boards, in the governance of investments is being reviewed and will be confirmed in parallel with the adoption of TfL Pathway. The issue of necessary escalation to committees and boards of each business unit and TfL is being reviewed in the design of TfL Pathway.

4   Sponsorship of Tube Lines

4.1   Recommendation 13: Strengthen the sponsorship of LU led capital projects in line with the recommendations set out for TfL Rail and London Underground (Recommendations 8, 10 and 11).

4.2   Response: AGREED. TfL Pathway will apply to Tube Lines. Where LU is the sponsor of projects delivered by Tube Lines, then the sponsor will be appointed by LU and report to the S&SD Director.

4.3   Recommendation 14: Align the input to and oversight of Tube Lines maintenance activities and annual Asset Maintenance Plans with those for TfL Rail and London Underground (Recommendation 9).

4.4   Response: AGREED. As in Recommendations 9 and 10, the Tube Lines Director of Operations will sponsor projects within the Annual AMP.

5   Sponsorship within Surface

5.1   Recommendation 15: Use proposed organisational change to develop and implement a sponsorship model that reflects the 12 no strategic programmes and specific Surface business model going forward.

5.2   Response: AGREED. The Surface business unit is currently designing its structure to enhance its delivery of capital investments. The guidance in TfL Pathway will remain generic until the organisational model, and the sponsorship model, for Surface is decided.

6   Sponsorship of Transformational and IM Projects

6.1   Key Recommendation 16: Transformational projects typically involve fundamental changes to operational practices, processes and personnel across TfL and/or across large elements of each business unit. The selection of sponsors of such projects should therefore be fully in line with their ability to provide Executive Sponsorship.

6.2   Response: AGREED. Under TfL Pathway, the management capability and governance applied to each investment will be designed to suit its riskiness, as

assessed by considering its scale and complexity. This is likely to result in greater authority of sponsors selected for transformational change projects.

6.3 Recommendation 17: Maintain practice of appointing key managers from the most impacted business unit as sponsors for IM projects, whilst also ensuring the clarity of role and responsibility highlighted in Recommendations 2 and 3.

6.4 Response: AGREED. Accepted

6.5 Recommendation 18: Ensure Transformation and IM sponsors have consistent understanding of this role and the associated responsibilities, and are supported through training and development appropriate to projects of this nature.

6.6 Response: AGREED. TfL will invest in the personal development of all sponsors, including sponsors of Transformation and IM projects.

7 Sponsorship of multi-modal schemes

7.1 Recommendation 19: Where there is only one viable option in terms of transport mode then sponsorship should transfer to the relevant Delivery business unit prior to Public Inquiry, with Group Planning providing a specialist input.

7.2 Response: AGREED. It is more appropriate to determine the allocation of sponsorship accountability at an Authority Point in the investment life cycle. Sponsorship will transfer to the appropriate business unit no later than at the first Investment Authority obtained for the programme or project (currently termed Project Authority), rather than at a point of external control such as Planning. Like other specialist departments, Group Planning will provide specialist input as required throughout the life of each investment.

8 Other observations

8.1 Recommendation 20: Conduct a review of engineering / technical support to sponsors (across TfL). This should question whether there is clarity on performance requirements definition by sponsorship and Functional requirements/solutions definition by Delivery, with the principle that crossing this responsibility boundary is counter productive. This review should also look at organisation as well as process; to ensure that there is adequate enforcement of required practice i.e. should engineering technical resources sit within an independent function?

8.2 Response: AGREED. LU has established the Engineering Change Programme to enhance engineering and other technical support. The delineation of roles between Sponsorship and Delivery, including the setting of requirements and specifications, will be described in the guidance on sponsorship provided in TfL Pathway.

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Transport for London

Systemic Review – Portfolio, Programme and Project Sponsorship
Transport for London

Final Report - September 12

Transport for London

Systemic Review – Portfolio, Programme and Project Sponsorship

Turner & Townsend

Contents

Rev	Originator	Approved	Date
Draft 0	Bill McElroy	Murray Rowden	06/07/2012
Draft 1	Bill McElroy	Murray Rowden	10/08/2012
Final 1	Bill McElroy	Murray Rowden	16/09/2012
Final 2	Bill McElroy	Murray Rowden	28/09/2012

DOCUMENT2

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1 Executive Summary

TfL has clearly identified the critical role that effective sponsorship plays in the successful delivery of not just capital enhancement schemes, but also capital renewal, maintenance and indeed front-line operations. Indeed, the effective sponsorship of capital schemes and projects has been a key focus for TfL, and numerous reviews undertaken by the Independent Investment Programme Advisory Group (IIPAG) have highlighted the need to strengthen the Sponsor role. In particular, IIPAG's report 'Sponsorship within TfL'. (25th August 2011) set out specific observations on current practice within TfL regarding sponsorship, and a number of recommendations on how this could be enhanced.

In response to the IIPAG report, TfL commissioned Turner & Townsend to undertake the systemic review of sponsorship across TfL. This review was undertaken in February 2012 – June 2012, and our client was TfL PMO. In line with the Terms of Reference set by TfL PMO, Gareth Powell, Rail & Underground Strategy & Service Development (S&SD) Director, was the lead contact on behalf of TfL.

The objectives for this review were to:

1   *Examine the role and effectiveness of sponsorship of projects, ongoing renewal, maintenance and operations in TfL.*

2   *Identify specific proposals for improving sponsorship such that value for money to passengers and taxpayers is maximised while ensuring the delivery of the services and investment that is necessary to meet TfL's future requirements.*

Based on our review we concluded that, in general, the findings and recommendations set out in IIPAG's report 'Sponsorship within TfL' (25th August 2011) were valid. Appendix C contains our commentary on IIPAG's findings, and within Appendix D we have set out our views on the IIPAG recommendations and role definition for Sponsors.

Although we found most of IIPAG's views to be valid we also found that there have been some notable improvements since the issue of their report. Most particularly, in terms of recognition of the need to provide:

- separation between sponsor and delivery in organisational terms – certainly within LU

- specific competence development for sponsors – again, most evident in LU.

It was clear from the general information gathered by our review team that TfL has made, and continues to make, substantial investments in the delivery of it capital investment programmes, maintenance activities and transformation change

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initiatives. These investments are realising benefits in terms of performance improvements in the delivery of an unprecedented level of new and enhanced assets, whilst also achieving increasing levels of operational performance and reliability.

The 20 no Key Findings and 20 no Recommendations set out in this report should therefore not be viewed as criticism of failing practices or approaches to sponsorship and associated project delivery. Rather, they are intended to be pointers to areas where there is scope for further improvements, and suggestions as to how these improvements can be realised.

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1 Introduction

1.1 Background

This report sets out the findings from a systemic review of the approach to sponsorship across Transport for London (TfL), and identifies associated critical items and recommendations.

TfL has clearly identified the critical role that effective sponsorship plays in the successful delivery of not just capital enhancement schemes, but also capital renewal, maintenance and indeed front-line operations. Indeed, the effective sponsorship of capital schemes and projects has been a key focus for TfL, and numerous reviews undertaken by the Independent Investment Programme Advisory Group (IIPAG) have highlighted the need to strengthen the Sponsor role. In particular, IIPAG's report 'Sponsorship within TfL'. (25th August 2011) set out specific observations on current practice within TfL regarding sponsorship, and a number of recommendations on how this could be enhanced.

This is not a new issue within TfL. Indeed a similar review was undertaken during February to April 2005 for the then TfL Project Management Centre of Excellence. This earlier review sought to collate the then current practice on "Project Ownership" (the term used at that time within TfL that corresponds to today's term of Project Sponsorship), and to start the development of a model of best practice across TfL.

In response to the IIPAG report (August 2011), TfL sought tenders from consultants on the Engineering & Project Management Framework in December 2011. Following submission and review of the subsequent tenders TfL commissioned Turner & Townsend to undertake the systemic review of sponsorship across TfL.

This review was undertaken in February 2012 – June 2012, and our client was TfL PMO. In line with the Terms of Reference set by TfL PMO, Gareth Powell, Rail & Underground Strategy & Service Development (S&SD) Director, was the lead contact on behalf of TfL.

1.2 Terms of reference and scope

As defined within Terms of Reference and Supplier's Brief (01 December 2012) the objectives for this review were to:

1 Examine the role and effectiveness of sponsorship of projects, ongoing renewal, maintenance and operations in TfL.

2 Identify specific proposals for improving sponsorship such that value for money to passengers and taxpayers is maximised while ensuring the delivery of the services and investment that is necessary to meet TfL's future requirements.

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Appendix A contains the detailed expansion of these objectives as also set out in the Terms of Reference and Supplier's Brief.

In addition to these scope requirements core assumptions set out within the Terms of Reference were:

- *This work assumes that the value of a sponsor role is not in question, but that implementation across TfL varies and it may be appropriate for a more consistent model to be adopted.*

- *Review produces a report that cements the strengths of the current model while developing improvements.*

1.3 Review methodology

The review was undertaken within four overlapping phases that corresponded with the key review milestones outlined within TfL's Terms of Reference:

1. Start-up and orientation

2. Diagnostics

3. Report

4. Senior Executive Review.

1.3.1 Start-up

During this phase we established lines of communications and reporting requirements and gathered, collated and reviewed existing documentation covering roles and activities as pertinent to sponsorship within TfL (Appendix B details the TfL documents reviewed).

In addition to gaining an understanding on sponsorship across TfL we also:

- gathered and collated published documentation defining best practice in both generic terms, and public information regarding best practice within other organisations

- made contact with other relevant organisations to establish their willingness to share information on sponsorship approach that is not in the public domain. In doing so we utilised our network of client contacts across the UK Infrastructure, Property and Energy sectors

- established a framework of external benchmarks that to be utilised in the Diagnostic phase.

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In readiness for the next phase we agreed a TfL interview schedule for:

- Senior management

- Sponsors

- Deliverers.

Appendix B also identifies the TfL interviewees.

1.3.2   Diagnostics

This phase consisted of three primary activities:

1   Information gathering – TfL specific, and external

2   Diagnostics

3   Hypothesis testing

1.   Information Gathering

We utilised the interviews to expand on our understanding of the current state of sponsorship across TfL. This supplemented the initial understanding gained from our document review in the previous phase.

In addition, we met with other external organisations identified within the previous phase, in order to establish wider practice as regards sponsorship.

2.   Diagnostics

In parallel we commenced our diagnostics work. This included assessing:

- whether a industry "standard" role of sponsor is applicable to TfL

- evidence for any proposed deviations from a standard sponsor position

- the benefits of a standardised sponsor model across TfL

- the quality of sponsorship

- where the accountability for whole-life asset management lies and the extent to which sponsors are involved in these decisions

- specific areas of strength and weakness

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- any organisational impediments to effective sponsorship

- the range of skills required by sponsors, specific to the TfL context.

During this phase we maintained regular feedback to the TfL PMO, and LU Strategy & Service Development to ensure that we properly understood the TfL context and did not develop hypothesis based on in appropriate assumptions.

A key discovery in this phase was that Surface Transport is considering changes to organisational structure and with this possible change to previous practice as regards sponsorship. In light of this we agreed with Surface Transport, our client, and TfL PMO that there was limited value in reviewing past practice and that it would be more beneficial to provide input to the development of their future sponsorship model.

3. Hypothesis Testing

Taking the information gathered we tested a number of hypothesis with a selection of LU sponsors and delivery personnel in a 'focus group' meeting on 5th April 2012. The hypotheses that were tabled are set out in Appendix C.

1.3.3   Senior Executive Review

In addition to regular liaison with our client we also provided:

- A presentation of our key findings and recommendations the Rail and Underground Leadership Meeting on 15th June 2012

- Input to a Surface Transport workshop to consider potential sponsorship models on 29th June 2012.

2   Key findings

It was clear from the general information gathered by our review team that TfL has made, and continues to make, substantial investments in the delivery of it capital investment programmes, maintenance activities and transformation change initiatives. These investments are realising benefits in terms of performance improvements in the delivery of an unprecedented level of new and enhanced assets, whilst also achieving increasing levels of operational performance and reliability.

Our review team was also impressed with the level of openness exhibited by all those interviewed across the organisation, and a clear willingness to build on achievements to date in order to reach even higher levels of performance.

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The findings set out in this section, and our recommendations in Section 4, should therefore not be viewed as criticism of failing practices or approaches to sponsorship and associated project delivery. Rather, they are intended to be pointers to areas where there is scope for further improvements, and suggestions as to how these improvements can be realised.

2.1 IIPAG observations

Based on our review we concluded that, in general, the findings and recommendations set out in IIPAG's report 'Sponsorship within TfL' (25th August 2011) were valid. Appendix C contains our commentary on IIPAG's findings, and within Appendix D we have set out our views on the IIPAG recommendations and role definition for Sponsors.

Although we found most of IIPAG's views to be valid we also found that there have been some notable improvements since the issue of their report. Most particularly, in terms of recognition of the need to provide:

- separation between sponsor and delivery in organisational terms – certainly within LU

- specific competence development for sponsors – again, most evident in LU.

2.2 Sponsorship models and practice

2.2.1 Sponsorship models

There is no single industry standard model for sponsorship, although there are a number of "best" practice models promoted by bodies such as the Association for Project Management (APM), and the previous Office for Government Commerce (OGC). Indeed, our review of industry practice identified at least 7 no. different models in current use across various organisations. All of these were seen by the organisations involved to be effective because they had been developed from the basis of fitting their overall business models rather than trying to impose a "standard" model on the way they operated their businesses.

The business structures within the TfL Rail and LU, and Surface Transport organisations are fundamentally different, and as such the associated sponsorship models applied need to reflect this.

Key Finding 1: Structural differences within respective TfL business models mean that there is no benefit in mandating a single sponsorship model across TfL

Building on the point above, there are different sponsorship models across TfL, with these primarily being encapsulated within the LU/Rail 'PMF' and Surface Transport 'Spearmint' frameworks. Both PMF and Spearmint have methodologies, role

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descriptions and processes that support and indeed promote the role of the Sponsor. Although different to varying degrees all of these are based on "good" practice in terms of the role and responsibilities of a Sponsor and the relationships with corporate governance, delivery and operations.

Key Finding 2: The current documented approaches to sponsorship across TfL are enablers to effective sponsorship.

The current TfL sponsorship models are based on the principles of an "independent" sponsor, as is promoted in all of the generic models of sponsorship best practice. However, there are organisational and procedural issues that impact on the sponsors' ability to act independently.

Key Finding 3: Sponsor independence is weakened though through the lack of delegation of authority, which is exacerbated when there is a disparity in hierarchical position and authority between sponsor and the individual leading on delivery.

Unlike most organisations reviewed, the concept of an independent sponsor has been applied across maintenance activities.

Key Finding 4: There are clearly aspects of maintenance activities where sponsorship is required and appropriate, but there are also activities where it is not.

- Independence of sponsorship is appropriate in terms of capital and transformational projects, and needs to be strengthened

- Independence is relevant to the setting of annualised maintenance plans, however, the subsequent delivery against these should be the clear accountability of the maintenance organisations (e.g. in LU – APD).

2.2.2   Sponsorship practice

Regardless of the sponsorship model adopted, the determining factor in the effectiveness of the sponsorship role was clearly found to be individual sponsor's understanding of the role and the manner in which they undertake it. This situation is exacerbated by similar variances in the views of those within delivery and maintenance functions on what the sponsor's role is / should be.

Key Finding 5: Effective sponsorship in TfL is personality dependent and based on personal interpretation of the associated role, responsibilities and practice. As such, sponsorship performance is highly variable – in some areas very good, but needing improvement in others.

2.3   Sponsor competence

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In general, those undertaking sponsorship roles are endeavouring to act professionally and in line with the principles of "good" sponsorship. However, as previously noted sponsor performance is highly variable and dependent on individual interpretation of role and responsibilities.

This should not be seen as criticism of the individuals concerned as there was very limited evidence of sponsors being specifically developed and selected for this role. Most of the current sponsors have either been selected for this role through:

- wider organisational changes (e.g. ex-Metronet Asset Managers, and LU transport planners), or

- line function responsibilities (e.g. Surface SROs).

LU is currently developing a competence framework for sponsors, but this is heavily weighted to asset management with sponsorship as a sub-set.

Previous TfL Pyramid initiatives to develop sponsors were not followed through, and as such there is currently no specific training and development to support sponsors in this role. Compounding this lack of preparation for this role, sponsor effectiveness is not a specific area of focus under current review processes.

Key Finding 6: The selection, development and assessment of sponsors is not adequately carried out across TfL.

2.4 Sponsorship within TfL Rail & London Underground

On capital projects sponsors have little delegated authority or positional power under current policies. This limits them to acting more as 'Sponsor's Agent' i.e. they are unable to make key decisions and/or take direct actions without referral upwards through the organisational chain of command.

Due to limited delegation, the 'Executive Sponsor' (i.e. the decision maker) is in effect the LU S&SD Director and RUB. This results in too many issues being escalated to RUB for resolution.

Key Finding 7: There is a mismatch in the expectations placed on sponsors and the level of delegation to enable them to meet these expectations. As a result too many project and programmes issues are escalated to the highest levels within the organisation (i.e. Directors) for resolution, thereby impacting their time available to focus on more strategic issues and opportunities.

Key Finding 8: A notable change in overall governance arrangements in the latter stage of the review was the creation of a new Investment Committee as a sub-committee of RUB. This committee has attendees from the key functional areas, as well as representative from IIPAG. In addition to the creation of this committee

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there is also a stated aim to provide greater empowerment to Sponsors. In practical terms this is to mean more delegation to Programme Boards, with accountability through monthly reports to RUB.

A notable cause of potential confusions and indeed disagreement is at which point in the project lifecycle sponsorship should hand over to delivery as the driving force in a project. This is particularly evident in discussion regarding major projects and especially programmes.

Key Finding 9: Regardless of what is stated in PMF it is clear that there are not clear guidelines on the allocation of accountabilities and responsibilities between sponsor and project delivery across the transition from definition to design to implementation. This is resulting in associated disagreements being escalated to senior Directors and RUB for resolution.

Within LU those sponsors who are focused on asset types are effectively acting as 'Asset Strategy Managers'. Sponsorship (in a technical sense) is a subset of these sponsors current role and not relevant in relationship to APD, except where APD are delivering asset enhancement and/or renewal projects.

Key Finding 10: Sponsorship is not relevant to APD's delivery of the outputs from agreed, annual Asset Maintenance Plans (AMP). However, it is required to define and agree each AMP to ensure it is working towards longer-term objectives. Also, if sponsors are removed from delivery of agreed AMPS a feedback loop (on outcome delivery) needs to be in place to inform the assumptions behind longer-term forecasts.

The current LU sponsorship model is not well suited to transformational projects, due to the degree of iteration and organisational change associated with such projects. However, where this model and use of the associated PMF framework is appropriately modified for such projects it works well.

Key Finding 11: The PMF model of sponsorship can be appropriate for transformational projects, but it must be tailored to suit specific requirements rather than followed in its entirety.

Sponsorship model previously used by London Rail is not suitable for LU due to its organisational maturity and scale of capital delivery.

2.5   Sponsorship of Tube Lines

Although the PPP contract remains in effect Tube Lines are being increasingly incorporated within LU led sponsoring activities as new (post-PPP) projects come into effect. Indeed, the findings related to the sponsorship of LU led projects were also found to be relevant in relation to Tube Lines.

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Key Finding 12: Although the PPP contractual boundary is still in effect there are, however, valid reasons for more active LU sponsorship of Tube Lines maintenance activities. These are aligned with the points covered under Key Finding 9 in relation to sponsorship of LU APD's delivery of maintenance activities.

2.6   Sponsorship within Surface

Surface Transport are planning an organisational change with respect to the delivery of capital programmes / projects and maintenance programmes The senior management team are conscious that the previous Surface sponsorship model may not be appropriate for the new business model and are actively considering the most appropriate way to address sponsorship in the future.

Key Finding 13: Based on current organisational design discussions an appropriate model for Surface Transport model could be:

- 'Executive Sponsors' for each of their 12 no strategic programmes

- 'Sponsor's Agents' for key projects within each programme

- Business unit based Sponsor's for projects outside strategic programmes and which are purely focused on one business unit

2.7   Sponsorship of Transformational and IM Projects

Sponsorship of these projects is generally undertaken by individuals from the most impacted business unit.

Key Finding 14: This practice reflects what is widely considered to be "good" practice, and should be maintained.

Although there is alignment in overall terms, there is also a clear mismatch in terms of Operations alignment during strategy development and subsequent delivery of transformational projects.

Key Finding 15: Operations should be more involved in the strategic development of transformational projects in order to ensure more effective delivery.

The performance and input of these sponsors is as variable as in the case of capital projects, and in the absence of appropriate training dependent on the individual interpretation of role and responsibilities.

Key Finding 16: Due to the nature of these types of projects the associated sponsors should receive more support and guidance on how this role is to act as a champion for the project and provide proactive support to the project team.

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2.8 Sponsorship of multi-modal schemes

The current practice of Group Planning sponsorship of the development of schemes through options selection and Public Inquiry (where the selection of option could be challenged) is valid and utilises skill sets and expertise appropriately.

Key Finding 17: This practice is most effective where there is active participation of the Sponsor from the subsequent Delivery business unit during scheme development and Public Inquiry, and the handover of sponsorship is a transition rather than breakpoint.

Key Finding 18: There does, however, need to be clarity on the most appropriate transfer point for sponsorship, where it is clear that there is only one viable option in terms of transport mode.

2.9 Other observations

In terms of "best" practice it is widely acknowledged that sponsorship should focus on performance (i.e. outcome) requirements and delivery on functional requirements.

Key Finding 19: There is evidence of some sponsors getting too involved in detailed engineering and functional specification development and setting. This can be particularly evident engineering support and personnel are embedded within sponsorship teams.

Key Finding 20: On the counter side, there is also evidence of delivery and/or maintenance trying to get directly involved in setting business and/or performance requirements. This is clearly the responsibility of the sponsor and although input may be sought (and indeed in many cases essential), it is for the sponsor to set these requirements

3 Key Recommendations

3.1 Sponsorship models and practice

Recommendation 1: Don't adopt a single sponsorship model across TfL.

Recommendation 2: Clarify where 'Executive Sponsorship' in each business unit model should be held, and redefine sponsorship models and processes to reflect this.

Recommendation 3: Where appropriate, support Executive Sponsors with Sponsor's Agents – these can be existing sponsors, with appropriate change in remits but there may be need for new role holders specifically selected for this role – subject to a suitable selection process.

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3.2 Sponsor competence

Recommendation 4: Create a TfL sponsorship community, potentially under leadership of the LU S&SD Director.

Recommendation 5: Provide appropriate training, development and support to sponsors and sponsors agents, including increased commercial awareness in order to provide effective oversight.

Recommendation 6: Review current sponsors and reappoint and/or appoint new sponsors and sponsor's agents (if required by selected model) to meet specific requirements of role.

Recommendation 7. Review sponsor effectiveness within Corporate Gateway Approval process, with incorporation of appropriate Lines of Enquiry within Gate Review Workbooks.

3.3 Sponsorship within TfL Rail and London Underground

Recommendation 8: Change title of Asset Sponsors to 'Asset Strategy Managers' to more accurately describe this role, and reinforce the delegation of delivery accountability proposed under Recommendation 9.

Recommendation 9: Delegate delivery of annual (1 year) AMPs to APD with associated budget and delivery accountability, whilst Asset Strategy Managers retain accountability for development of longer term multi-year plans and focus on whole life cost and performance trade-offs.

Recommendation 10: Strengthen Executive Sponsorship in LU through the sponsor role being applied by the S&SD Director for major LU Capital Programmes and Projects (e.g. Line Upgrades and major Station Capacity Upgrades), and the Maintenance Director for asset projects incorporated within 1 year AMPs.

Recommendation 11: Appoint a small number (say, 2-3 no) Executive Sponsors for the remainder of the LU capital projects. These should have a direct functional report to the S&SD Director, and have adequate status and delegated authority to ensure effectiveness of role.

Recommendation 12: Monitor the effectiveness of the newly created Investment Committee and delegation of authority to Programme Boards in terms of resolving sponsorship/delivery issues without escalation to RUB. If there is no improvement in terms of escalation to RUB then this must be addressed through creation of a more effective RUB sub committee and even greater delegation.

3.4 Sponsorship of Tube Lines

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Recommendation 13: Strengthen the sponsorship of LU led capital projects in line with the recommendations set out for TfL Rail and London Underground (Recommendations 8, 10 and 11).

Recommendation 14: Align the input to and oversight of Tube Lines maintenance activities and annual Asset Maintenance Plans with those for TfL Rail and London Underground (Recommendation 9).

3.5 Sponsorship within Surface

Recommendation 15: Use proposed organisational change to develop and implement a sponsorship model that reflects the 12 no strategic programmes and specific Surface business model going forward.

3.6 Sponsorship of Transformational and IM Projects

Key Recommendation 16: Transformational projects typically involve fundamental changes to operational practices, processes and personnel across TfL and/or across large elements of each business unit. The selection of sponsors of such projects should therefore be fully in line with their ability to provide Executive Sponsorship.

Recommendation 17: Maintain practice of appointing key managers from the most impacted business unit as sponsors for IM project, whilst also ensuring the clarity of role and responsibility highlighted in Recommendations 2 and 3.

Recommendation 18: Ensure Transformation and IM sponsors have consistent understanding of this role and the associated responsibilities, and are supported through training and development appropriate to projects of this nature.

3.7 Sponsorship of multi-modal schemes

Recommendation 19: Where there is only one viable option in terms of transport mode then sponsorship should transfer to the relevant Delivery business unit prior to Public Inquiry, with Group Planning providing a specialist input.

3.8 Other observations

Recommendation 20: Conduct a review of engineering / technical support to sponsors (across TfL). This should question whether there is clarity on performance requirements definition by Sponsorship and Functional requirements/solutions definition by Delivery, with the principle that crossing this responsibility boundary is counter productive. This review should also look at organisation as well as process; to ensure that there is adequate enforcement of required practice i.e. should engineering technical resources sit within an independent function?

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Appendix A

Scope of the review

As set out in the Terms of Reference and Supplier's Brief (01 December 2012) the detailed scope requirement of this review were to:

1 Examine the role and effectiveness of sponsorship of projects, ongoing renewal, maintenance and operations in TfL.

2 Identify specific proposals for improving sponsorship such that value for money to passengers and taxpayers is maximised while ensuring the delivery of the services and investment that is necessary to meet TfL's future requirements.

3 The study should:

   a) Consider the various models of sponsorship across TfL and determine the advantages and disadvantages of standardising the approach, taking account of the nature, scale and complexity of the projects across the business.

   b) Consider whether the role of sponsor is correctly defined in TfL, and whether the different types of sponsorship (maintenance, capital, operations) require any changes to the industry standard model of an independent sponsor.

   c) Consider whether the role of sponsor is understood within TfL. Review both departmental and overall business structure and interfaces, including use of technical resource, and whether these are conducive to successful sponsorship.

   d) Consider the link between Sponsorship and Corporate Governance, approval bodies etc.

   e) Examine how effectively sponsorship drives the correct whole-life investment decisions for capital, maintenance and operations across TfL, including delivery of Asset Management Plans.

   f) Examine the sponsorship capability and capacity of those teams responsible and the ability to recruit and retain suitably skilled staff.

   g) Propose specific improvements.

3 Comparable public and private sector bodies in the UK and abroad that commission capital works will be used to assess if the process in TfL is consistent with best practice.

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Appendix B

TfL documentation

We gathered, collated and reviewed the documentation set out in the table below as relevant to the roles and activities as pertinent to sponsorship within TfL

Document Title	Organisation	Date	Version
Sponsorship Within TfL	IIPAG	25/08/2011	N/A
Enhancing London Underground's Capability to Deliver its Capital Programme	The Nichols Group	05/08/2011	N/A
PMF Handbook - Sponsor the programme or project	London Underground	N/A	N/A
PMF Handobook - Manage the programme	London Underground	N/A	N/A
PMF - RACI Matrix	London Underground	N/A	N/A
Job Description - Fleet/Depot Sponsor	Transport for London	24/02/2012	N/A
Job Description - Lead Sponsor (Train Systems and Upgrades)	Transport for London	24/02/2012	N/A
CMS Work instruction - Asset Planning Process	London Underground	Mar-11	A1
CMS Handbook - Setting and reviewing strategy	London Underground	26/03/2011	A1
CMS Handbook - Providing Sponsorship	London Underground	26/03/2011	A1
CMS Handbook - Business and resource planning	London Underground	26/03/2011	A1
Competency Framework for Sponsors	London Underground	N/A	N/A

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Document Title	Organisation	Date	Version
Sponsorship (course overview)	TfL (Pyramid)	N/A	N/A
Spearmint A-10 Checklist	TfL Surface	01/12/2011	Version 10
Spearmint - Project Team Roles and Terms of Reference	TfL Surface	21/12/2004	v02
Spearmint Framework Diagram	TfL Surface		Version 03
Spearmint - Glossary	TfL Surface	20/08/2004	v01
Spearmint - An Overview	TfL	06/07/2009	v04

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TfL interviewees

The following table identifies those interviewed/consulted during the review, in chronological order.

Date	Time	Interviewee	Role	Organisation
01/03/2012	10.00 - 11.30	Jon Lamonte	Chief Executive	Tube Lines
01/03/2012	13.30 - 15.00	Adrian McCrow	Train Systems Sponsor	Rail & Underground
01/03/2012	15.00 - 16.30	Iain Flynn	Lead Sponsor - Train Systems & Upgrades	London Underground
02/03/2012	09.00 - 10.30	Stuart Goode	Premises & Minor Works Manager	Tube Lines
05/03/2012	09.30 - 11.00	Neil Hyde	Head of Permanent Way	Rail & Underground
05/03/2012	13.30 - 15.00	Gareth Powell	Director of Strategy & Service Development	Rail & Underground
05/03/2012	16.00 - 17.30	Gary Downie	Infrastructure Delivery Manager	Tube Lines
06/03/2012	16.30 - 18.00	Peter McNaught	Head of Fleet & Trains Division, Asset Performance Directorate	Rail & Underground
07/03/2012	09.00 - 10.30	Andy Jinks	Lead Sponsor – Infrastructure	Rail & Underground
07/03/2012	13.00 - 14.30	David James		IIPAG
07/03/2012	15.30 - 17.00	Dan Scott	Track Asset Sponsor	Rail & Underground
07/03/2012	17.15 - 18.45	Rob Stewart	Programme Director - SSR Upgrade	Rail & Underground
08/03/2012	14.30 - 16.00	Keith Foley	Head of Transport Planning	Rail & Underground
08/03/2012	15.30 - 16.30	Doug Norman	Head of Centre of Excellence, PMO	Rail & Underground
08/03/2012	16.00 - 17.30	Simon Newton	Head of Stations and Infrastructure Engineering	Rail & Underground

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Date	Interviewee	Role	Organisation
08/03/2012	Richard Moore	Asset Development Manager	London Underground
09/03/2012	Howard Smith	Chief Operating Officer, London Rail	Rail & Underground
12/03/2012	Chris Skuse	Head of Stations & Structural Maintenance, Asset Performance Directorate	Rail & Underground
12/03/2012	Richard Coleman	Head of Deep Tube Programme	Rail & Underground
16/03/2012	Bob Doyle	Head of Track & Signals, Asset Performance Directorate	Rail & Underground
16/03/2012	Ralph Freeston	Head of Station Capacity Programme	Rail & Underground
16/03/2012	Mark Henn	Portfolio Manager (Stations)	Rail & Underground
19/03/2012	Peter Richards	Director London Overground Infrastructure	Rail & Underground
13/03/2012	Phil Hufton	Asset Performance Director	Rail & Underground
03/04/2012	David Waboso	Capital Programmes Director	Rail & Underground
05/04/2012	Ben Plowden	Director of Planning	TfL Surface Transport
05/04/2012	Garrett Emmerson	Chief Operating Officer	TfL Surface Transport
12/04/2012	David Hendry	Director of Finance	TfL Surface Transport
18/04/2012	David James		IIPAG
27/04/2012	Kuldeep Gharatya	Head of Systems Integration	Rail & Underground
30/04/2010	Mike Everrett	Telecomms & IM Sponsor	Rail & Underground
10/05/2012	Jon Foley	Surface Planning	TfL Surface Transport

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Date	Interviewee	Role	Organisation
10/05/2012	Graeme Shaw	Head of Stations Upgrades	Rail & Underground
16/05/2012	David James / Nick Pollard		IIPAG
18/05/2012	Phill Willis	IM Business Planning Manager	TfL IM
18/05/2012	Matthew Griffin	IM Head of Business Relationship Management	TfL IM
31/05/2012	Michèle DIX	MD Planning	TfL Group Planning
06/06/2012	Richard Di Cani	Director of Transport, Strategy and Policy	TfL Group Planning

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Appendix C

London Underground Focus Group – 5th April 2012

This meeting considered the relevant and applicability of the following hypotheses:

Hypothesis 1: TfL Rail and LU are not yet ready to adopt "Executive" Sponsorship (at least for asset creation projects) due to associated level of delegation to Delivery.

Hypothesis 2: RUB is acting as a "collective" Executive Sponsor due to the level of decision making it has retained and/or has to provide as decisions cannot be taken lower.

Hypothesis 3: Currently sponsors are effectively Sponsor's Agents without Executive Sponsors i.e. sponsors don't have authority to direct and/or control.

Hypothesis 4: Performance requirements should be defined by Sponsorship, and Functional requirements/solutions by Delivery. Crossing the divide is counter productive.

Hypothesis 5: "Sponsorship" is only relevant to the creation of new assets and/or transformational change.

Hypothesis 6: Transformational change requires Executive Sponsorship to be successful.

Hypothesis 7: The Delivery led Sponsorship model is not appropriate for TfL Rail or LU.

Hypothesis 8: Maintenance activities do not require "sponsorship" (only the change to assets requires "sponsorship").

Hypothesis 9: Asset Management and Sponsorship roles need to be distinct – they are different.

Hypothesis 10: Business Planning and Sponsorship roles need to be distinct – they are different.

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Appendix D

Review of IIPAG findings

The following table highlights what Turner & Townsend have determined to be the main findings set out in the IIPAG report 'Sponsorship within TfL'. (25th August 2011), and our commentary based on the findings of our review.

IIPAG Findings	TT Review Commentary
"…inconsistent and relatively weak sponsorship of schemes on more occasions than not."	Confirmed in terms of inconsistency and evidence of weak sponsorship on certain schemes/projects/programmes.
"…teams appear inconsistent over the allocation of responsibility between the project delivery team and the sponsor…"	Confirmed in general for Rail (specifically LU), although has been a leaders role under current Surface model.
"In some cases, sponsors' responsibilities in terms of stewarding and controlling the investment case are absent and the understanding of the business returns on a scheme is weak."	Confirmed in general terms across TfL.
"Development and consistent alignment and refreshing of functional specifications …..have sometimes been incomplete or out of date. "	Role and responsibilities are documented across TfL, but finding is valid in terms if individual interpretation and execution of sponsor role.
"On no occasion has IIPAG observed the sponsor as internal client holding to account a project team for performance, spend or execution	Confirmed, in terms of anecdotal evidence and particularly in relation to projects with high technology content.
"There is no apparent leadership at senior levels for scheme sponsors."	Confirmed for Surface and Corporate. In London Underground this role is embodied in the S&SD Director.
"Who holds the delivery teams to account for securing the business benefit?"	Area of poor performance across all areas with lack of detailed benefit management and realisation.

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IIPAG Findings	TT Review Commentary
"Confusion as to who holds the internal budget and recommends release of more money through contingency for changed circumstances – or injects challenge."	Confirmed for Rail and LU as budget release retained by RUB and therefore not delegated to either Sponsor or Deliverer. There also appears to be a general lack of commercial challenge by Sponsors
"No evidence of training or coaching of sponsors."	Lack of training confirmed as a previous TfL Pyramid initiative was not followed through after some initial courses. There is an element of coaching within the LU sponsorship community but none across TfL as a whole.
"The reporting line for the sponsor appears exactly the same as for the project deliverer..."	Not seen in terms of organisational or documentation evidence. However, anecdotal evidence indicates that this is sometimes the attitudinal situation.
"Skills of individual sponsors are highly variable"	Confirmed, in terms of anecdotal evidence.
"The role of the sponsor as a leader who must be capable of appropriate exercise of an independent voice at senior levels ……..appears unconsidered or overlooked."	Confirmed in relation to lack of authority vested in role and therefore lack of authority when dealing with more senior delivery personnel and/or other stakeholders.
"…setting and appropriate review of sponsors' performance and their annual personal objectives may be misaligned with the duties required for effective sponsorship…"	Not explored, and therefore not substantiated or challenged.

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Appendix E

Review of IIPAG recommendations

The following table set outs the main recommendations within the IIPAG report 'Sponsorship within TfL'. (25th August 2011), and our commentary based on the findings of our review.

IIPAG Recommendations	TT Review Commentary
Through Project Horizon split the line of report for sponsors from the same reporting line as delivery to create clear client-side responsibilities in terms of budgetary controls, functional requirements and constructive but independent challenge of the delivery processes and outturns.	This split in reporting lines is now evident within the LU organisation as sponsorship is within S&SD and delivery within APD and CPD. The split is also evident with IM and transformational projects. Current indications are that the emerging model within Surface will also embody split in reporting line between sponsors and delivery.
Institute sponsors' leadership of project reviews from the basis of maximising commercial gain consistent with beating the original business case evaluation and societal benefit.	Agreed.
Provide 3 months skills training, practice and selection to strengthen the ability of existing sponsors. Select those showing good capability and rigour to hold project teams to account and exert improved business controls over the next six months to continue in that role as sponsor, recruiting new talent where necessary to bolster the commercial governance of projects.	Agreed in principle, but subject to the detail of the selected operating model for sponsorship. Training and development should be tailored to the specific requirements of the organisation i.e. not just generic knowledge based training. Recruitment should also reflect role requirements.
Provide expert side-by-side coaching for the sponsors through leading their first 3 project reviews, establishing consistent behaviours, review process and agenda to create effective stewardship.	Agreed in principle. This should be focused through building a pan-TfL sponsorship community rather than reliant on external coaching. Although there is benefit in some external perspective being provided in the early stages of this initiative.

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Review of IIPAG definition of Sponsor role

The following table set outs the elements of the sponsor role definition contained within the IIPAG report 'Sponsorship within TfL'. (25th August 2011), and our commentary based on the findings of our review.

IIPAG (Acting as internal client)	TT Review Commentary
Providing leadership during the project development in order for the project to be commercially effective and efficient, later holding others to account for adhering to the delivery of the business case throughout scheme implementation and acceptance	Agreed
Supporting the team in its endeavours to deliver the project to the business case	Agreed
Developing options in conjunction with Internal Operators	Agreed
Determining the initial functional and operational specification	Sponsor focus should be on required performance specification and operational outcomes. Sponsor should though "sign-off" functional specification developed by Deliverer.
Ensuring synergy across the TfL portfolio between the schemes	Agreed, but this will require development of means by which sponsors can see and influence the pan-TfL portfolio.
Securing clarity with, and maintaining relationships with, the Programme Delivery team	Agreed
Issuing client instructions to the internal programme/project management team	Agreed, with clear understanding that the sponsor is accountable for subsequent impacts on T/C/P and Scope.

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IIPAG (Monitoring, challenge, independence, investment)	TT Review Commentary
Developing the transportation/investment case in the line with overall TfL strategy	Sponsor to be accountable for case development. In the case of larger, multi-modal schemes requiring Powers the sponsor may change but any handover should be a transition rather than a break point
Leading, preparing and managing the business case	Agreed
Managing the internal finance processes	Agreed, but will require change to current processes (particularly within LU).
Leading, holding and stewarding the budgetary responsibilities that "pay" for the scheme	Agreed
Managing change control	Sponsor manages changes that impact Time, Cost, Quality objectives and/or performance scope requirements. Deliverer to have delegated authority to manage lower level change.
Agreeing the trade off and balance between renewal, enhancement and maintenance cost related to the scheme initially, and in its forecast of life cycle	Agreed
Stewarding the investment performance to maximise returns from investments in the scheme	Agreed

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