

UK Project Management Round Up



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INTRODUCTION

The clocks have gone forward once again so I guess it must be Spring here in UK. Looking out of my window, it does not seem much like it but I know it is Springtime because there is a rash of project-related conferences and exhibitions. Hopefully we will see some green shoots in the Project World. We are also in the throes of a general election campaign and many see this as a project. We also look at some developments at Sellafield and a project to design a shadowless skyscraper as well as some other interesting ideas for projects. This is also the season for the professional societies to move ahead with their programs.

NUCLEAR DEVELOPMENTS

As it is the end of the Parliamentary session and the end of this Parliament, there are lots of reports from various worthy Parliamentary Committees. One that caught my eye is from the National Audit Office (NAO) which looked at waste management at Sellafield. More precisely, the report noted that the Nuclear Decommissioning Agency (NDA), the people charged with looking after the clean-up of the UK's legacy nuclear plants, including Sellafield. The NDA re-estimated the lifetime cost of cleaning up Sellafield at £53 billion. What was surprising about this is that a year ago, the estimate stood at £48 billion. So the life time costs have more than doubled since the 2010 estimate of £25 billion, as NDA have understood the nature of their projects, the risks involved and the nature of their sites.

All has not been sweetness and light at Sellafield as the contract of Nuclear £430 K, a cost described by Margaret Hodge, Chair of the Public Accounts Committee (PAC), as 'galling' as it would have to be added to the tab picked up by the UK taxpayer. The PAC has criticized the NDA management of the clean-up, pointing out that the PAC had concluded over a year ago that NDA had not 'demonstrated why NMP ownership of Sellafield provides good value for money'. PAC noted sourly that the NDA had only taken the decision to terminate the contract in January 2015.

Projects at the Atomic Weapons Establishment (AWE) have also been in the headlines this month as the Government considers whether to terminate the management contract of AWE Management, a consortium now made up of Serco who have many outsourcing problems in addition to this contract, Jacobs who bought BNFL's share and Lockheed Martin. Who have interests in the Y-12 plant at Oak Ridge, Tennessee. The management contract was awarded in 2000 and was due to run for 10 years at a cost of £2.2 billion. Contract duration was extended to 25 years. So far, it is estimated that some £9 billion has been spent at Aldermaston.

According to industry sources, AWE is encountering problems with the Pegasus project, the £634 million complex for enriching uranium. The Office of Nuclear Regulation halted work on Pegasus in January. Project Mensa is also said to be in trouble. Valued at £734 million, Mensa is a warhead facility expected to play an important part in the Trident nuclear deterrent programme. Trident is particularly sensitive in the run up to the Election. Mensa and Pegasus are MoD projects. Termination of the AWE contract, coming so soon after the Sellafield termination would be another serious blow to the Government's perceived ability to broker complex nuclear contracts and to make them effective.

CONSTRUCTION PROJECT NEWS

There is always a lot of news about projects as the weather improves and new projects get underway. One of the more radical is a plan to build a 'shadowless' skyscraper in London. Design firm NBBJ came up with the concept which relies on mirrored surfaces oriented to reflect sunlight into a zone between two tower blocks.



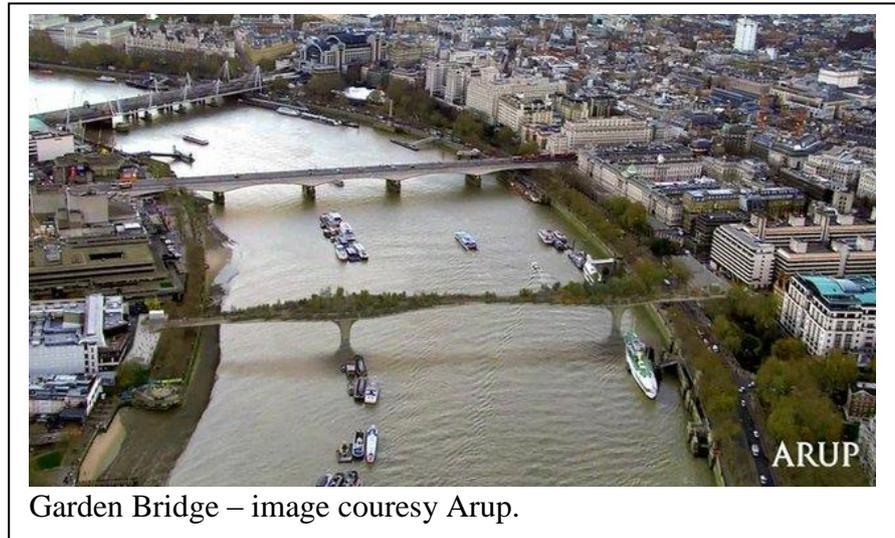
The reflective properties of tall buildings have been known for some time, and in London we had the unexpected consequence of the summer sun reflecting from the so called Walkie Talkie building in the City which scarred a Jaguar, scorched an eatery and burned a bicycle! NBBJ have harnessed the idea to produce a zone between the two towers that would be free from shadow – an important aspect in many cities as narrow streets are already dark enough without further light blockage.

An added benefit is that such bright zones might mean an easier passage through English planning regulations where blockage of light can prevent construction of new buildings or modifications to older ones.

We reported last month on the contest to design and build a new crossing over the River Thames. It seems that all is not going smoothly for one design – the so called Garden Bridge designed by Thomas Heatherwick. Not only are there complaints about the costs (at least £175 million for construction and £3.5 million per annum for

maintenance – a lot of watering of the Garden?) but now come claims of unfair advantage.

Press reports state that the design may have given Heatherwick questionably high marks for his “relevant design experience”. According to these reports, Heatherwick has designed just one bridge – a 12m-long steel structure that unrolls across a small dock inlet at London’s Paddington Basin.



Garden Bridge – image courtesy Arup.

According to the Architects Journal – who used the Freedom of Information Act to get previously withheld details about the Garden Bridge design competition – Heatherwick was given the highest marks for design experience, despite having completed only two sizeable projects – a mall and a university learning hub in Singapore.

According to reports in the Independent, Walter Menteth, the former chairman of the RIBA procurement reform group, has called the top-marking of Heatherwick’s relevant design experience “extraordinary”, and suggested that his selection to design the bridge appeared to have been pre-judged.

The first phase of the competition is now complete and four design teams have been shortlisted for the next stage. The successful teams are: Buro Happold with Marks Barfield Architects and J&L Gibbons Landscape Architects; Bystrup with Robin Snell & Partners; Arup with Amanda Levete Architects; and Arup with Hopkins Architects and Grant Associates.

We await the final results of the competition...

EDUCATION

This is a bit of a cheat as the topic is not new and the outcome more or less predictable but it is important for UK – a new university is in the planning stages. Following on from the points raised by two speakers at the recent APM Conference, this new university is intended to help reduce the skills shortage to be found in UK engineering. This is a major theme for the current government which sees an urgent need to improve the supply of engineers at several levels.

The Government has taken the view that much of the skills shortage can be reduced by providing modern apprenticeships and regional Academies. Progress with both initiatives has been reported here and the roll out of university technical colleges (UTC) remains an exciting development. Apprenticeships and the UTCs will provide a strong input into engineering at the base level but the long term development of the economy relies more on a steady stream of Degree level entrants to the profession.

Capacity at universities remains more or less constant and is seen as insufficient so this month's news of an entirely new university is very welcome. Over the last 30 years or so, the number of universities has grown exponentially as colleges of further education and technical colleges have converted to universities but no 'greenfield' university has been established in UK since the University of Buckingham was opened in 1973, after a 6 year gestation period.

The 'new' university is planned for Herefordshire, one of 4 English counties with no university and it is hoped to open in 2017. This is an ambitious target as the process for gaining a university title, ensuring that loans are However, a consortium of businesses and academics are working on the project and are receiving help from the Universities of Warwick and Bristol, both Russell Group or research intensive, universities. Funding is being secured and £1 million has been raised so far. Clearly, much more money, currently estimated at about £20 million to construct the first halls of residence and recruit staff, will be needed to convert existing buildings made available by Hereford Council and fund the notoriously capital intensive infrastructure to support graduate level engineering studies. The enterprise has strong support from local business groups and the Council.

Modelled on Franklin W Olin College of Engineering, in Massachusetts, the New Model in Engineering in Technology and Engineering, the new university will also be a "collaboratory," dedicated to co-designing transformational educational experiences with and for other institutions. Hence the links to Warwick and Bristol have broader implications than simply getting QAA approvals for courses.

It remains to be seen whether the new university will offer course on project management, which would enable graduates to gain insight into the crucial implementation of their technical work. Current plans are to offer general engineering courses over 46 week terms which would allow 6 month work placements during courses.

RAIL PROJECTS

Commuters suffered further misery in the New Year when engineering work on some key projects overran the Christmas Holiday period and they face further problems travelling at Easter. Network Rail, who are responsible for managing the rail infrastructure, are in an unenviable position: they need to close down the network to do the work but the operating companies need to keep the lines open so travelers can use the service.

Not only are there safety projects to do, and these take time to compete and more significantly to test, there are also projects to increase capacity, maintain essential signaling equipment and adaptations to be made to allow longer, faster and taller trains to operate on lines that have been in existence for nearly 150 years.



Photo courtesy Shropshire Star.

All this costs huge amounts of money so it is little surprise that Network Rail has a debt problem. It owes some £34 billion, a debt that has been moved to the Government's balance sheet. This leaves Network Rail open to death by a thousand cuts as it is now at the mercy of Ministers when funds are allocated and is accountable to Parliament.

Press reports claim that economists at the Office of the Rail Regulator have been exploring plans to break up Network Rail and sell off the profitable parts such as the long distance routes. It might also be possible to raise cash for much needed improvements to stations. At the same time, Treasury mandarins are thought to be looking at ways to reduce the company debts.

According to press reports, such plans are very high risk. Network Rail employs some 35,000 staff, own and maintain assets that date back to early Victorian times and have a 5 year budget of some £38 billion – all of which means that any plan to restructure the company will be very complicated and will require skilled financial management as well as considerable skill to bring off. Some would question whether such skills are available.

The impact of these potential plans will have a huge impact on rail projects – and will hinge on the outcome of the election due to take place on 7 May.

PM SOCIETIES

The two main PM societies in UK have had a busy winter. The Association for Project Management (APM) won two awards at the inaugural Association Excellence Awards including Best UK Association. APM was also presented with the Best Association Conference in London by ceremony host The Right Honourable Michael Portillo at the QEII Centre on Friday.

According to the APM website, to be named as Best UK Association is recognition for everything APM has



Rt Hon Michael Portillo (Left) with APM President Tom Taylor and Mary McKinlay, Conference Chairman (right)

achieved in recent times under former chief executive **Andrew Bragg**, who stood down from the role after 10 years at the end of 2014.

APM also saw a record 14,400 candidates sit qualifications last year and became the first ever professional body to achieve the Investors in Volunteers accreditation.

PMI UK Chapters have a very full programme of activity for their members:

PMI UK Toastmasters, London – 8th April 2015 – an evening opportunity to learn more about public speaking, highly practical and a very popular event

PMI Chester Event, OPM Forum. 14th April -

PMI UK Basingstoke Event – 22nd April – Maximising a Project's pace of progress.

Speaker Martin Price

PMI Glasgow Event – 28th April – programme had not been finalised as we went to press. See website for further information.

PMI Webinar on Lean Agile Working – 28th April 2015

So April looks like another interesting month in the Project World.

About the Author



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Miles Shepherd is an executive editorial advisor and international correspondent for PM World in the United Kingdom. He is also managing director for MS Projects Ltd, a consulting company supporting various UK and overseas Government agencies, nuclear industry organisations and other businesses. Miles has over 30 years' experience on a variety of projects in UK, Eastern Europe and Russia. His PM experience includes defence, major IT projects, decommissioning of nuclear reactors, nuclear security, rail and business projects for the UK Government and EU. Past Chair and Fellow of the Association for Project Management (APM), Miles is also past president and chair of the International Project Management Association (IPMA). He is currently Director of PMI's Global Accreditation Centre and the Chair of the ISO committee developing new international standards for Project Management and for Program/Portfolio Management. He was involved in setting up APM's team developing guidelines for project management oversight and governance. Miles is based in Salisbury, England and can be contacted at miles.shepherd@msp-ltd.co.uk.

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