

## UK Project Management Round Up



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### This Month

The events in Paris have overshadowed almost everything else this month. The shock and revulsion generated by the attacks has affected us all. The reactions in Paris, in Brussels and throughout Europe are likely to go some way towards preventing further atrocities. But the most significant result is a closer cooperation amongst European leaders that looks likely to encourage closer integration of key counter terrorist activities, the first step in what will prove to be a long road towards the elimination of such threats to society. The journey can be made more easy by the adoption of project management approaches – be they program or portfolio specific.

Meanwhile, the project world continues to provide much of interest. In UK, big projects seem to attract the most attention with infrastructure projects heading the list. Rail is coming in for more criticism, energy is beginning to attract more attention and defence procurement is the subject of what seems to be a Whitehall power play. At the professional society level, there is news of the Association for Project Management Board elections and Presidential news at both the Institution of Civil Engineers and the Association for Project Management (APM). But first let's take a look at some people in the news.

### People



Many readers will recollect the crucial role played by **Sir John Armitt** (left) in the run up to the London Olympics. Coming from a construction industry background, he is well acquainted with project management. There is a tale, apocryphal no doubt, that he used to talk about the Olympic *programme* to politicians as that was what they understood. When speaking to the Tier One contractors, he referred to the Olympic **portfolio** as they were each running their own project. But when he spoke to experienced Project Managers, he referred to the Olympic Project – because that

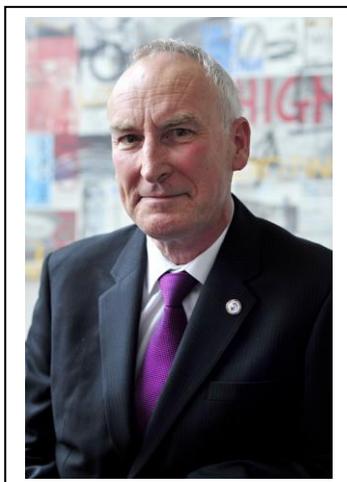
was how he saw it! Well, a lot has happened since then, he has been a member of the Davis Commission – advising on London’s third runway; he is reputed to have saved the West Coast Mainline upgrade project (some project at £18 billion). According to the Times, he led the Channel Tunnel rail link and helped to construct Sizewell B, the last nuclear plant built in UK. Sir John came up with the Labour Party’s plan for a committee to oversee all of the UK infrastructure. This idea, to have a single body responsible for oversight of all such projects. This idea has been implemented by George Osborne, the Chancellor of the Exchequer as the National Infrastructure Commission. Interestingly, Sir John claims that the state of UK infrastructure, which is only rated in 27<sup>th</sup> place worldwide, is “not the infrastructure that is built, but the projects that aren’t.” It will be particularly interesting to see how the nation’s portfolio of major infrastructure projects progresses in the hands of the Commission.

Possibly more interesting for project manager, APM has announced that **David Waboso CBE**, pictured right, becomes President in succession to **Tom Taylor**. Waboso is director of capital programmes at London Underground, and takes over as president in the New Year.



David was awarded an Honorary Fellowship by the Association in 2011. He is an internationally renowned engineer and project manager and as capital programmes director for London Underground, is responsible for leading the £1.5bn annual Tube Upgrade Programme – the largest in the company’s history. He currently manages a team of over 3,000 colleagues and a supply chain of 20,000 people, delivering on investments that make a difference to millions of Londoners each day.

He has also worked on some of the world’s most prestigious infrastructure programmes including Docklands Light Railway and the Jubilee Line Extension in the UK. Internationally he has worked on projects for the European Rail Agency and World Bank funded infrastructure developments in Africa.



David was [awarded a CBE in 2013](#) for services to transport in London. A Chartered Engineer, he is also a Fellow of the Royal Academy of Engineering, a Fellow of the Institution of Civil Engineers, a Fellow of the Institution of Railway Signal Engineers, as well as an [Honorary Fellow](#) of the Association for Project Management. He also holds a Fellowship to the City and Guilds Institute.

Outgoing President, **Tom Taylor**, pictured left, has served for three years and has been instrumental in driving forward a number of APM initiatives. He was one of the first Registered Project Professionals, now APM’s flagship qualification. As Chairman, he initiated the brand development that transformed APM’s management and infrastructure – this unique contribution set up the drive for professionalism,

transforming APM into the model of a modern profession and setting in train the application for a Royal Charter. His contribution as Chairman was acknowledged by the inaugural presentation of the President's Medal. On becoming a Vice President, he worked tirelessly to ensure that the organizational memory made useful contributions

During his time as Chairman and President, he oversaw a wide range of changes across the association, including introducing new governance processes, refreshing the APM identity and supporting the Association in its move to new offices in Princes Risborough. Steve Wake, APM Chairman, recognised Tom's achievements with a gift that was truly out of this world; a star registered under the name Ibis, the iconic bird featured in the APM logo and introduced by Tom when the association rebranded in 2005. Having completed his duties as president, Tom will resume his role as an APM vice-president in the New Year.

## **Programs**

In the world of managing multiple projects, it is sometimes difficult to distinguish portfolios and programmes. So rather than worrying about exact definitions, I rely on the view adopted by politicians, large undertakings aimed at various types of social transformation are their programmes. One of the UK Government's major programmes relates to defence. This involves many major weapon development projects, such as the Trident replacement estimated at about £40 billion for the construction of 4 new nuclear armed submarines. Events in Paris have prompted the Prime Minister to increase defence spending to counter the growing threat from Islamic militants, underlining the need for rapid reaction forces.

After visiting Paris where he pledged British support for France after attacks which killed 130 people, Cameron unveiled plans to increase spending by £12 billion to £178 billion over the next decade as part of the government's five-year defence and security plan.

According to reports by Reuters, the review, which detailed plans to buy eight BAE warships and nine Boeing maritime patrol aircraft, also said Britain would need to cut civilian staff at its defence ministry by 30 percent to help keep the government's budget in check.

In a separate move, Chancellor George Osborne has attempted to take control of at least the Trident programme away from the Ministry of Defence (MoD). In some ways, this is not surprising as MoD has a poor record of delivery. Recent examples of failed procurements include the Nimrod saga, the surveillance aircraft due in service in 2003 but eventually cancelled in 2010, the staggering price escalation of the two Queen Elizabeth class aircraft carriers ordered under the Labour administration, the Chinook Mk3 purchase costed at £259 million but spent £422 before being abandoned in 2010, the Astute class submarine programme that cut the number delivered and was 5 years late. So it is hardly surprising that the Chancellor wants a hand in the projects. However, it seems doubtful that even his department will be able to control such large projects on top of all the other spends in Government.

Some observers will reflect that it is rare for simple bean counting approaches to be successful in controlling projects – only effective project management skills can do that.

## Portfolios

The rail portfolio under Network Rail continues to attract criticism. Punctuality has declined in recent months according to BBC reports. Network Rail has admitted that train punctuality has been inadequate, saying that it was running about 0.5% behind a year-end target of 90%.

"Almost 9 out of every 10 trains arrive on time, but train performance has not been as good as we want," Network Rail said.

The comments came as the company said that profits for the six months to 30 September fell to £246m from £321m in the previous year.

Overcrowding is also a regular complaint to it is interesting that there are proposals to increase passenger capacity by investing in double decker carriages, something our Continental neighbours have done for many years. Bombardier have their TWINDEXX Double-Deck Trains (below) that could be used but there will be a big engineering bill to go with the purchase of carriages as old and low bridges will need to be replaced as tunnels re-engineered.



Proponents of the double decker idea point to the increased capacity that results while unpopular new lines do not need to be built. They also remark that many rail bridges are old, too narrow for modern road traffic and often too low for lorry traffic.

The Rail Safety and Standards Board (RSSB) are running a design competition to evaluate new designs that utilize lower passenger compartments. Such a move would lower the centre of gravity and allow higher speeds. The RSSB evaluation is looking at three designs, one led by Swiss architect Andreas Vogler in which the aisles are moved to the sides to make more space for passengers.

All the High Speed 2 bashing seems to have put to one side as one of the UK's largest building companies weighs in with a proposal to cut project costs by using mass production techniques to build replacement bridges. The idea is to build bridges at a central depot in Nottingham and then ship them to the site for assembly.

Bids for seven work packages valued at £11.85 billion are split on a geographical basis into South, Central and North groups. Each packages is the subject of an individual contract for which interested tenderers can apply. According to press reports, there are eight consortia bidding for the work, including Laing O'Rourke who are joined by Murphy and FCC. All the major rail maintenance companies are thought to have submitted bids in the process that closed in mid November.

Interestingly, during the visit by the Chinese Premier last month, the Chancellor indicated that Chinese firms could bid. Tenderers can bid for one or more of these lots, but HS2 Ltd “does not intend to allow” any bidder to tender for more than four lots. It will also not award any more than two lots to one supplier, other than in “limited circumstances” described in the invitation to tender (ITT). With seven lots available, it looks like there will be at least four tenderers awarded for the deals.

The most controversial route remains the tunneling through the Chilterns into London but the most complicated part is the 30 mile stretch valued at £1.5 Billion between Birmingham and Little Itchington, Warwickshire where there are many tunnels and viaducts through and under major conurbations in the West Midlands. It is thought that there are 80 bridges over existing roads and rail lines. The junctions of the M42 and M6 motorways will provide a major engineering conundrum!

## **Progress**

At long last it seems that someone is thinking about the energy supply system in UK. Amber Rudd MP is the Energy Secretary and she has spotted that we need to build more than 25 large conventional power stations to prevent the lights going out. Furthermore, she recognizes that we need to replace our ancient nuclear and dirty coal power stations sooner rather than later. According to an analyst at the Centre for Policy Studies, UK could face power cuts as early as next year. Somehow, no one noticed that the closure of power stations that provided up to 20% of dispatchable energy has an impact on available power. Press reports quote a capacity under shoot of some 3.5% of peak power needs for next year. Worryingly, the emergency measures we reported in June were used for the first time this month as industry was asked to reduce power usage to avoid cuts.

There is some good news on the energy front. First, the Eden Project, in Cornwall is poised to explore the viability of tapping into geothermal energy. The project plans to drill down some 3 miles into the granite bedrock. Unlike Islandic geothermal stations which draw superheated water from the deep rock, the Cornish plant would pump cold water down one of two pipes and bring back up water heated to about 180°C. The plan envisages producing heat for the biomes and aquarium but there would also be sufficient power from steam generated electricity to power up to 4000 homes. Other business opportunities involving thermal energy are also planned such as a medical facility, commercial greenhouses and other heat intensive activities. The Eden Project has explored geothermal opportunities before but did not have the funding to put the project into practice. It is expected that a bid to the European Union for £12 million redevelopment grant.

Other good news is that projects to build new power stations are likely to provide up to 30,000 new jobs.

And to finish, Centrica have just begun to refurbish a mothballed power station – now we only need another 24...

## About the Author



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