

## UK Project Management Round Up



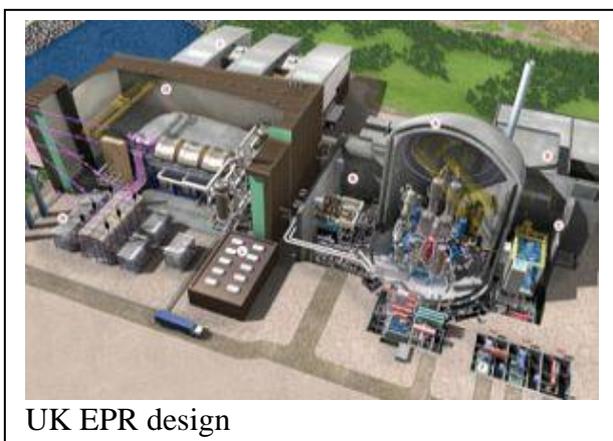
*By Miles Shepherd*  
*Executive Advisor & International Correspondent*  
*Salisbury, England, UK*

### INTRODUCTION

It has been an interesting time since my last UK Round Up. The ‘discussions’ about New Nuclear rumble on, Rail projects provoke more disputes and opposition to new projects raise the local temperature. So nothing new, you might think? Well there is a little encouraging news on the Project front but first, to look at the old favourites...

### NEW NUCLEAR

Most punters were expecting news of the French decision on Hinkley Point where UK’s first new reactor in 20 odd years is expected to be built in a very long construction project. This project is part of the Government’s Energy programme and is a key component. Well, the latest news is that there is no news. EDF, the French energy giant who have the poisoned chalic ée to deliver Hinkley C have been warned that they cannot finance the deal and to attempt to do so would result in the downgrade of their credit rating.



UK EPR design

Apart from the financial aspect, there are concerns over the reactor design. Hinkley C is scheduled to be a European pressurized reactor (EPR) design of the type that is causing angst at the French installation at Flammanville (Normandy) and Olkiluoto (Finland) where new build projects are bogged down. Back in March, analysts were speculating that planners were waiting to see how developments in Normandy and Finland turned out before committing. However, it looked

like the departure of the Director of Finance might be warning that all was not well with the UK proposal.

In his letter to his (French) employees, CEO Bernard Lévy said that EDF could not afford to carry all the massive finance burden and that partners would be essential – notably French taxpayers! This went down badly but the French head of state Hollande has encouraged EDF to keep in the deal. Amid more EDF Board resignations, the decision over the go ahead has been postponed till September. Any bets that it will be delayed again as Decision Day approaches?

Meanwhile, as French fears grow, Chinese developers are more optimistic. They might be hoping that their reactors will be used instead, giving them design approval that would enable them to compete in the wider nuclear market.

If the French – Chinese bid goes belly up as seems likely, attention is likely to be focused on small modular reactors. UK has already invested in design development in our own universities and there is capacity for steel supply and heavy forging capability to do our own build. Many analysts favour a home grown development as better environmentally as well as contributing to strategic and macro-economics needs. This overall package is likely to find more favours as public confidence and support for the EDF bid wanes in direct proportion to the increased Chinese involvement. While all these debates rage, Britain is still faced with the prospect of blackouts as conventional power plants shut with no new capacity coming on line. Perhaps more notice needs to be paid to the recent announcement that the energy regulator, Ofgem, is to be given new powers to manage UK energy supplies, and to shut down major industrial consumers as an emergency measure while bringing on line the standby generating capacity.

## **INFRASTRUCTURE PROJECTS**

Rail infrastructure hits the headlines new ways! Not content with rehashing all the old NIMBY arguments about High Speed 2 (HS2), we now have ‘discussions’ about the impact of HS2 on macro-economics and the northern powerhouse so beloved of our Chancellor of the Exchequer. The latest dispute is over the location of the new station planned for Sheffield. This is holding up the planners whose work needs to be complete before the Government can announce the Phase 2 plans.

As if that was not enough, Network Rail have announced plans to sell off their power network. It is not clear whether the idea, which would see investors taking ownership of all the substations, third rails and overhead



Image courtesy HS2 Ltd

cables that power the 20,000 mile network, would result in a new name. Presumably if you have no network the name becomes Rail!

Further news on HS2 is that further contract shortlistings have been for Phase 2 design work and civils work. Details of Phase 1 awards include CH2M which has been named as part of a consortium with Atkins and SENER as the Engineering Delivery Partner (EDP) responsible for the delivery of Phase One of High Speed 2. Arup has been awarded a major civil engineering and environmental services contract for part of Phase Two of High Speed 2 (HS2), as well as securing a place on the Land Referencing and Site Access Framework.

London's main airport, Heathrow, seems to be well named as the row about the third runway rumbles on amid claims that the airport had 'jumped the gun' by announcing contract awards in what has been seen as an attempt to kick start the project. Apparently 4 companies have been appointed to 'assist in planning' – but the decision over any planned new runway has been delayed till September. Press reports indicate that £5 million will be spent on preparatory work on construction advice, design and project management. This will allow an immediate start to the £17.6 billion project should it be awarded approval.



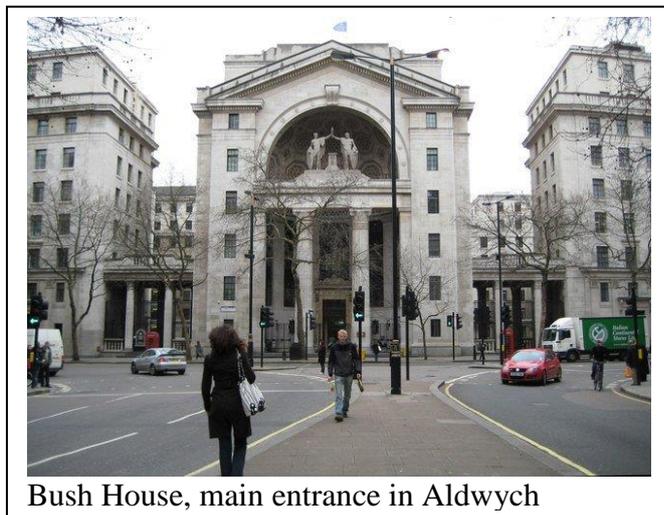
One of the quintessential sights of London is Big Ben (pictured left). Few visitors realise that what they see is actually the Great Clock and the tower in which it resides is the Elizabeth Tower

A £4 million project has been planned as part of the refurbishment of Parliament programme and will sort out problems with the Great Clock's hands, clock mechanism, pendulum and the Tower itself. According to a a cross-party report, failure to do complete this project would cause "reputational damage". It has been 31 years since its last overhaul. No decisions on works, timescales or costs have been agreed according to a parliamentary spokesman

## **POSITIVE NEWS**

Those of you still with me will rejoice in some better news. According to reports in the Times, leading London universities are planning to expand their facilities. Some £3 billion in loans will go towards new projects for University College which is mounting a £280 million project to build a new campus at Queen Elizabeth Olympic Park in East London. King's College London has taken out a new lease on Bush

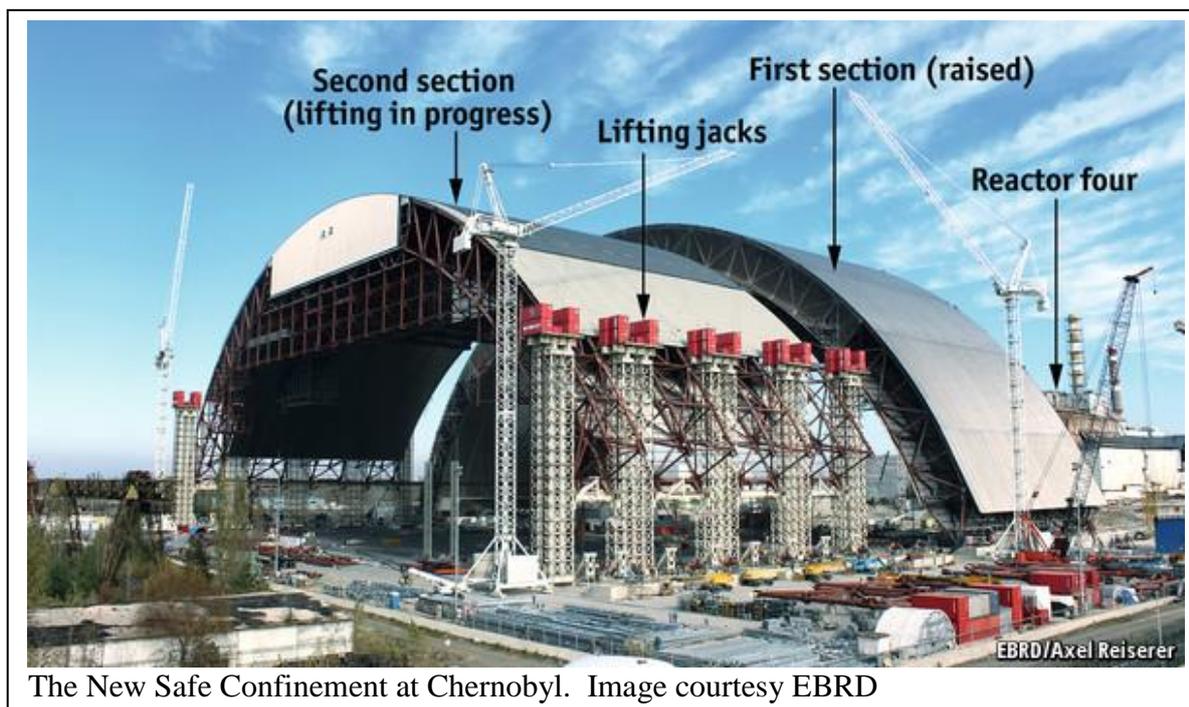
House, until last year, the BBC's World Service HQ. This splendid building provides a new campus opposite its science and arts facilities on the north bank of the Thames.



Imperial College is to get a new science and research centre at White City, another old bastion of the BBC who built their TV Centre there.

Meanwhile the London School of Economics has refurbished three existing buildings at Lincoln Inn Fields. These are intended to provide new bases for their Institute for philanthropy and social entrepreneurship. This is in addition to their £90 million Global Centre for Social Sciences.

Outside London, the University of Cambridge is planning a £1 billion research and campus on a site to the north of the city. In addition to the research facilities there will be low-cost housing for staff and students. Further north, the University of Glasgow is also investing £1 billion on a new site which will house new research facilities, commercial collaboration and additional faculty buildings on the 14 acre site.



And finally, the real good news, and it has taken more than 30 years to get to its current state, is the New Safe Confinement at Chernobyl. This project is costing around £1 billion, is funded mainly by EBRD and is scheduled for completion in 2017. It is a monument to international project management and something we can all take pride in, even if there is little UK content in the current project. However, we have some history on this programme as an international competition for proposals to replace the hastily constructed sarcophagus was held back in 1992. Design Group Partnership (DGP) of Manchester was invited to assist the Atomic Energy Authority (AEA) for the UK's submission for the international competition organized by the Ukrainian government. No overall winner was declared from just under 400 entries although the UK entry was joint third along with a German entry.

The significant aspect of the UK entry was its proposal to build an arch off site, assemble it on site and slide over the existing Russian built sarcophagus. Off site construction would limit the radiation doses to construction workers and would be easier to slide rather than a square box. No other bid proposed a sliding solution. It has only taken the rest of the nuclear decommissioning world 20 years to understand the strengths of David Haslewoods' proposal.

## About the Author



### **MILES SHEPHERD**

Salisbury, UK



**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](mailto:miles.shepherd@msp-ltd.co.uk).

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