

UK Project Management Round Up



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INTRODUCTION

As this is my last report for the year, I thought I would look back at 2016 to see how well the Project World has coped with the vicissitudes of the year past. However, I see that I did something similar in the January edition where I tried to put a brave spin on the events scheduled to occur and to look at the bright side. I have long been concerned that we take too bleak a look at our work, or rather, we allow the Press to do that on our behalf. So I wanted to do what I could to look at the more positive side of projects, portfolios and programmes. If there is any space left we can look at some of the recent news.

January – this was a real cop out report with both a forward and backward look at the UK project scene. I noted, in particular, the launch of the Infrastructure Project Authority (IPA) which replaced the Major Projects Authority (MPA and not to be confused with the Major Projects Association, also MPA) which had been formed in 2010 and the Infrastructure UK which had started work in 2011. The thought in everyone's mind – or at least mine – was that this is good housekeeping, replacing two similar supervising bodies with one. Their jobs were the same and reports remain in the public domain, oversight is still rigorous and the cost burden should be lower.

The good news of the month was the announcement that the Association for Project Management (APM) Research Programme had got off to a good start and applications for the newly announced funding scheme were coming in well and the range of topics looked to be both challenging and worthwhile.

February – saw a nostalgic look at the many world famous rock and pop personalities who had died. Apart from the enjoyment they brought, much of their work was conducted by projects, whether they knew that or not. Cultural projects were very much in evidence as the Stonehenge Tunnel project, rat elimination programme in the South Atlantic and university expansion projects all hit the headlines. It was difficult to justify a claim that the news was uniformly good but

optimists like me saw benefit in the tunnel, improvements to the survival chances of magnificent seabirds, and a welcome boost to students and the firms working on the new university projects. Other news in February covered Defence projects where the news was distinctly not good!

March – returned to the themes of power supply, infrastructure transport and construction, all of which provide a major part of the UK project portfolio. The first two topics were a major theme throughout the year as the decision on new nuclear provision dominated the public consciousness. Transport projects, or rather portfolios, in the form of High Speed 2 and new highways projects also attracted a lot of attention.

May – was a bit of a catch up as I could not report in April. The report was dominated by power plant issues which hit the headlines not over new nuclear but because of a tragic building collapse during the decommissioning on Didcot 'A' Power Station. Three men were killed and their bodies could not be located or recovered. Speculation concerning the Third London Runway was rife, HS2 was attracting a great deal of adverse publicity for all the wrong reasons – the Great British Press were complaining that the project was being planned!

May also saw announcements and speculation about the refurbishment of the Palace Westminster or as it is better known, the Houses of Parliament. Others know it as the Great Puzzle. The good news was that the rebuild would take 4 years or so and cost many £billions – a good contribution to the national economy even if the public will continue to provide troughs in which the political pigs can bury their snouts.

The truly good news was the progress with the Chernobyl 'New Safe Confinement'. More on this topic later.

July – After the shock of the UK referendum on membership in the European Union, BREXIT dominated most of the news and conversations. Not only was the result unexpected but the impacts were the topic of a great deal of speculation. The immediate impact was a sharp drop in the value of the £ against both the \$ and €. While this benefitted exports it also raised import costs. The Stock Exchange fell too but is gradually getting back to where it was a year ago.

September – was a summary of the Silly Season, followed by the reassuring news that the country was safe from immediate economic collapse but no one knew for how long this would hold. Speculation concerning the Government decisions on Phase 2 for High Speed 2 and the Third London Runway was rife. In the event, most commentators got both wrong as events in October showed. While all that was taking the public eye, the news for the discerning follower of the UK project management scene was my analysis of the Infrastructure Project Authority Report which has sadly overlooked when it was first issued. The good news was that the value of projects at risk was lower than previous reports but the bad news was that there were still projects at major risk and a lot of them were in the rail sector.

November – proved to be a very significant month for UK project managers as the Association for Project Management (APM) took the first formal steps to transfer the assets and liabilities of the existing charity to a new Chartered Body Corporate. This followed the announcement that the Privy Council – the body that provides constitutional advice to HM The Queen – had made an Order of Grant to APM. This allows APM to begin the series of procedural, legal and accounting steps for the transition to re-constitute itself as a Chartered body during 2017.

Other News

Yes – there is, actually, some other news. BREXIT has not gone away but all is not doom and gloom as UK business benefits from a weaker £ and the economy realizes that there are two distinct aspects to Brexit – one the ‘simple’ economic perspective where trade turf wars seem imminent and the more complex aspect of just how UK is to engineer its exit. The latter is subject to a legal challenge on who can trigger the separation – the so-called Clause 50 – and even more significantly, who can approve the terms once they are agreed. The Supreme Court debates this as I pen these words so you can expect to see a more analytical and detailed report next month. For now, the nation is waiting anxiously for further guidance and especially for some idea of how the Government will tackle the extremely complex exit.

On the back of all this, Jaguar have just announced that they intend to develop a new plant in the Midlands, to build electric cars. Speculation is that the site will be adjacent to the University of Warwick’s Manufacturing Group (WMG). This would allow close liaison with WMG on several research topics. Jaguar Land Rover could add up to 10,000 new jobs according to Lord Bhattacharyya, a confidant of Ratan Tata, one of the key players in Tata Sons which owns Jaguar Land Rover.

Still on Infrastructure projects, the Sellafield cleanup bill has gone up by £1.6 billion – note that this is an increase, not the total cost. Press reports claim that the increase, announced by Cavendish Flour Partnership (CFP), amounts to an 18% increase. CFP is a consortium led by Babcock partnering with Flour Corporation. The contract to decommission UK’s 12 Magnox reactors was awarded in 2014 but this has been challenged by Energy Solutions who claimed that the contract evaluation was not carried out equitably. A High Court ruling last month agreed and said that CFP should not have been awarded the work as the Nuclear Decommissioning Authority had failed to treat bidders equally and “had manipulated” the process by allowing CFP to participate.

December – well we haven’t completed the month yet but people are beginning to think about some personal projects as Christmas and the holiday season loom ever closer. My project, although some might think it more of a programme, is to continue to look at the brighter side of projects. We project managers achieve more successful projects that we are given credit for – mainly because the press prefer bad news to good. So let’s all make a resolution to “accentuate the positive”. And on that note, may I wish you and yours all the very best for the Holiday Season, and I look forward to a wonderful 2017!

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.

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