

## **UK Project Management Round Up**



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### **INTRODUCTION**

For those of you who have not visited Shepherd Towers, I look out of my office window towards the famous cathedral, you know, the one the Russian agents came to Salisbury to visit. Well, I can see the spire, the tallest in UK, and can also see the seasons change. Judging by the trees, it is now Spring. However, there are other signs of a new season and all on TV: the English Premier League Rugby is all but over (2 more games to go) and is being replaced by Aussie Rules football; the Indian Premier League cricket is drawing to a conclusion, to be replaced by I know not what; and the hockey, both men's and women's hockey (field variety for US readers) Pro League is closing too.

With the change in season, we can hope there is a change in the project world too, but I don't really see much different this month compared to last month. However, there are some lessons to learn, some good news and some not so good news so let's get the bad stuff out of the way first before moving on to more cheerful topics.

### **NOT SO GOOD NEWS**

Two items can only be classified as disaster, rather than not so good: the appalling terrorist attacks in Sri Lanka and the devastating fire that almost destroyed Notre Dame in Paris. Both events will spawn projects and programmes but this reaction to awful events is not how we would like to see projects initiated. Let's hope that good project management can help restore order. I'll come back to the Notre Dame fire shortly.

I suspect that British politicians are much like those in other countries and are not noted for their understanding of projects beyond the primitive time and cost aspects. So the news that the House of Commons Public Accounts Committee (PAC) has discovered what they call an "unacceptably laissez-faire" attitude to project costs from the overlapping organisations in a major infrastructure project comes as something of a surprise. The PAC have issued a report criticising cost management after three

emergency cash injections. Most of us would have noticed after the first bail-out but it takes three rescue bids for politicians to notice something is wrong. Anyway, the Great British Public (GBP) have coughed up more dosh and have seen the cost of the Elizabeth Line rise from £14.8bn to £17.6bn. Oh, and it will not open for another year at least.

## LESSONS LEARNED

Lessons learned are always mentioned after disasters as those responsible always claim to have learned something. When it comes to international lessons learned, it seems even more difficult to actually learn lessons. I was not therefore surprised to read in the UK Press that old buildings are at their most vulnerable when they are under repair. Examples on this side of the Channel include Windsor Castle (1992) and the two fires at the Glasgow School of Art (2014 and 2018).



Glasgow School of Art 2018 fire. Photo courtesy Police Scotland

On each occasion, the historic buildings were under renovation. Very old buildings present complex problems including access, large voids and ancient timber, to name but a few. The results of fires in these buildings is expensive. Estimates for reconstructing Notre Dame are in the range of £1bn according to **Alan Dunlop**, visiting Professor at the University of Liverpool. It was initially feared that Windsor Castle would cost £60 million to restore, though the final cost was £36.5 million (equivalent to £60million in today's money), and that drying out the castle would take 10 years. Apparently, **President Macron** intends to complete the restoration of Notre Dame by 2024, in time for the Paris Olympics. There are extensive press reports on the feasibility of this plan and possible consequences of working to such a demanding timetable. Windsor and Notre Dame are of similar ages – what chance of learning any lessons across national boundaries?

Meanwhile, in Westminster, the Joint Committee appointed to oversee the programme are contemplating the refurbishment of the Houses of Parliament. The latest idea is that a Minister needs to be appointed to be the fall-guy, er...oversee the intervention needed to appeal to the public. To a project manager, this is actually quite a sensible idea as a clear sponsor is needed for this very high profile programme. Public confidence in politicians is at an all-time low due mainly to their inability to manage BREXIT so someone with some senior clout is needed to act as the public face of the programme. The late **Dame Tessa Jowell** did a very similar job for the London Olympics and earned wide respect – and that programme was widely recognized as a success. Sounds like a lesson learned.

Sadly, other lessons do not seem to be learned as there is a major row brewing over the award of the East Midlands rail franchise, scheduled to run from August this year until 2027. The contract was awarded to Abellio, an operator owned by the Dutch Government that operates the Greater Anglia franchise and four other rail franchises in UK.

The current franchisee, Stagecoach, was disqualified from bidding over “non-compliant bids”. This refers to the legality of the Government’s requirement for bidders to bear the full long-term funding risk on relevant sections of the Railways Pension Scheme, according to Stagecoach. It added that the Pensions Regulator is seeking additional funding because of “serious doubts” over the Government’s ongoing support for the industry-wide scheme. There are also reports that some of the Stagecoach bid was leaked to Abellio although this charge has been rejected by the Department for Transport. On the lessons learned front, the whole franchising system has proved problematic from the bidding phase to operations; serious flaws have emerged, most noticeably the debacle over the Stagecoach/Virgin abandonment of their East Coast contract. As one procurement website noted at the time, *“If this were a free market, a firm who walked away from contractual commitments would be rightly punished, severely in all likelihood. And a struggling firm might go under, but others who are more efficient and effective would step into their place. The railway “business” clearly doesn’t and cannot work quite like that, so artificial structures like the franchising system are installed instead. And unfortunately, that is where the problems can start.”* (Public Spend Forum)

Further contracting problems have come to light at the inquiry into the failed £6bn contract to clean up nuclear power stations. The Magnox contract was scrapped in 2016 after a legal ruling that the procurement had been “manipulated” by the Nuclear Decommissioning Authority who were forced to pay out about £100m to losing bidders. Now, there is an inquiry into the debacle as five former NDA managers have launched a judicial review into its legitimacy.

In similar vein, the Trustees of the Garden Bridge project refused to attend the London Assembly witness panel looking into the financial affairs of the project that consumed some £24m of Transport for London (TfL) and another £19m from the Government. The chairman of the Garden Bridge Trust claimed the assembly that the group investigating the project had not demonstrated objectivity because it had not sought

the trustee's side of the story. Seems odd when that sounded like what the witness panel was doing.

## **MORE RAIL PROJECTS**

High Speed 2 (HS2) is rarely out of the headlines and attracts both positive and negative reports. On the positive side this month, we learn that track-side wind farms could power the new trains. Clearly this reduces the carbon foot print of the line and should appeal to the younger viewers following the Swedish activist as well as the Extinction Rebellion. Costs have also been cut on the construction of two new HS2 stations in London where the reconstruction of Euston will fall to only £1.3bn while the new West London hub should cost £1bn. There is no word on how these costs, which represent a 25% reduction on early estimates, will be achieved.

Further good news on the rail environmental front is the news that solar powered trains may be introduced. The Department for Transport (DfT) report on trials which began in 2018 states that diesel powered trains could be phased out within 21 years. This may seem unduly pessimistic by many but the UK scheme differs from the approach adopted by a firm in Australia who are currently running solar-powered trains with panels on the roof. In UK, part of the evaluation project relies on track-side panels to provide the electricity for the trains. Some politicians see this whole idea as some kind of smokescreen to distract attention from the cut backs in the electrification plans announced in 2017.

On the negative side, HS2 will deepen regional divide as the North loses out according to researchers from the New Economics Foundation. I am not too sure how this fits with news last week that a northern rail project is to be given a green light. This development is intended to improve and needs to be taken with a series of other initiatives planned by the current government. The plan centres on a business case submitted by the pressure group Transport for the North to join up Liverpool, Manchester, Leeds and Sheffield in a £39m project. Northern Powerhouse, another independent pressure group, claims this would result in a 4% improvement in productivity and generate some 850,00 new jobs by 2050. I suspect it will be quite difficult to manage the benefits of this project.

## **BETTER NEWS**

There really is some better news – and one amazing research project has identified a way of converting thoughts into speech. This is aimed at those who are prevented from speaking by diseases such as Parkinsons. The work has been done in California, at the University of California in San Francisco, but has many possibilities that will be followed up in many universities around the world.

We all know the hassle of managing travel documents, especially at airports, so many will be cheered by the idea being tested at Heathrow to reduce the need for check-in documents and even passports. The approach relies on advanced technology such as biometrics. One consequence of facial recognition is that good passport photos

are going to be important. Few will be reassured by this as it is a well-known fact that no-one ever looks like their passport photo!



Artists impression of the Tulip (Source: DBOX for Foster and Partners)

Last month we announced a new monster building planned for the City of London – rejoicing in the name of The Tulip. My mole in the City reports that it may not get the go-ahead although press reports claim planning permission has already been granted. There remain worries over traffic and “the ability of the public realm to adequately manage the additional number of people”. I think this means that we already have the Gherkin (also a Foster Partners design) and another tower next to it is just too much.

## **BREXIT**

I have given up on this topic and have decided it falls into the category of fake news. The referendum never happened, so there is no result to upset anyone and we are going nowhere. Even if I have this wrong, it still looks like we are going nowhere!

## **CLOSING REMARKS**

The final event of importance this month is the publishing of British Standard 6079. This is a substantially revised Standard that replaces all the previous British project standards. In common with earlier versions, this standard is cross discipline and can be applied to organisations of any size and sector. It is the result of considerable efforts of a small team of experts who have also contributed significantly to the development of international standards so users of the new British Standard can be assured that it is up to date and reflects British views of international approaches.

My report last month on the cheerfulness of the country has been picked up by no less an authority than Gallup, the well-known polling organisation. They claim we are happier than the Germans and only marginally less cheery than the French. We still have some work to do to catch up with some Scandinavian countries but we are working on it.

I can also report that my report on cricket in USA has attracted national attention here with a full page spread in the Times by no less an authority than **Mike Atherton**. Listeners to TMS will know that Atherton was a highly successful batsman, captain of the English Test team and an award-winning journalist. He quoted an extract from Joseph O'Neill's novel *Netherland* ... "New York Cricket Club was a splendid idea but would the project have worked? No, there is a limit to what Americans understand. That limit is cricket." Well, Mr O'Neill is wrong and the USA has now achieved entry to One Day Internationals (ODI). No doubt my colleagues in America will be able to enjoy short form cricket on TV as we are blessed with Major League Baseball on daytime TV over here.

## About the Author



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