

UK Project Management Round Up ¹



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INTRODUCTION

It will not have escaped popular notice that Europe has been basking in catastrophically hot weather, resulting in wildfires all along the Mediterranean coastline. Other parts of the world are also suffering similar problems and many readers will be pointing the finger at global warming. So this month, we will have a look at projects that link in some way to our fragile environment. I warn younger readers that there may be some parts of this report that are alarming so consider this a trigger warning. I'll start with major projects as they not only attract a lot of interest but they frequently highlight technical aspects we, as professional project managers need to take into account in our own practice.

MAJOR PROJECTS

Considering this is still what we charmingly term the Silly Season, there is quite a lot of serious major project news, some notable new projects, the Infrastructure and Projects Authority annual report and some planning developments.

❖ **Project Planning.** Rearing its head again is the major road improvement project to tunnel past Stonehenge. This project has been more than 20 years in the planning but in the middle of July, it received a development consent order (DCO) from Transport secretary Mark Harper. Officially titled the National Highways' A303 Stonehenge tunnel (Amesbury to Berwick Down) scheme, it entails the construction of a new 12.8km dual carriageway to replace the existing A303. This includes a 3.3km tunnel beneath the Stonehenge UNESCO World Heritage site. The plans are deeply divisive with those opposed to the notion claiming the tunnel will damage the world-

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renowned historic visitor attraction and cause additional pollution in the area. Supporters view the proposal as the minimum necessary to improve a notorious accident black spot, reduce carbon emissions caused by the many traffic jams on the short section of single carriageway road between two major intersections and reduce traffic through ancient villages.

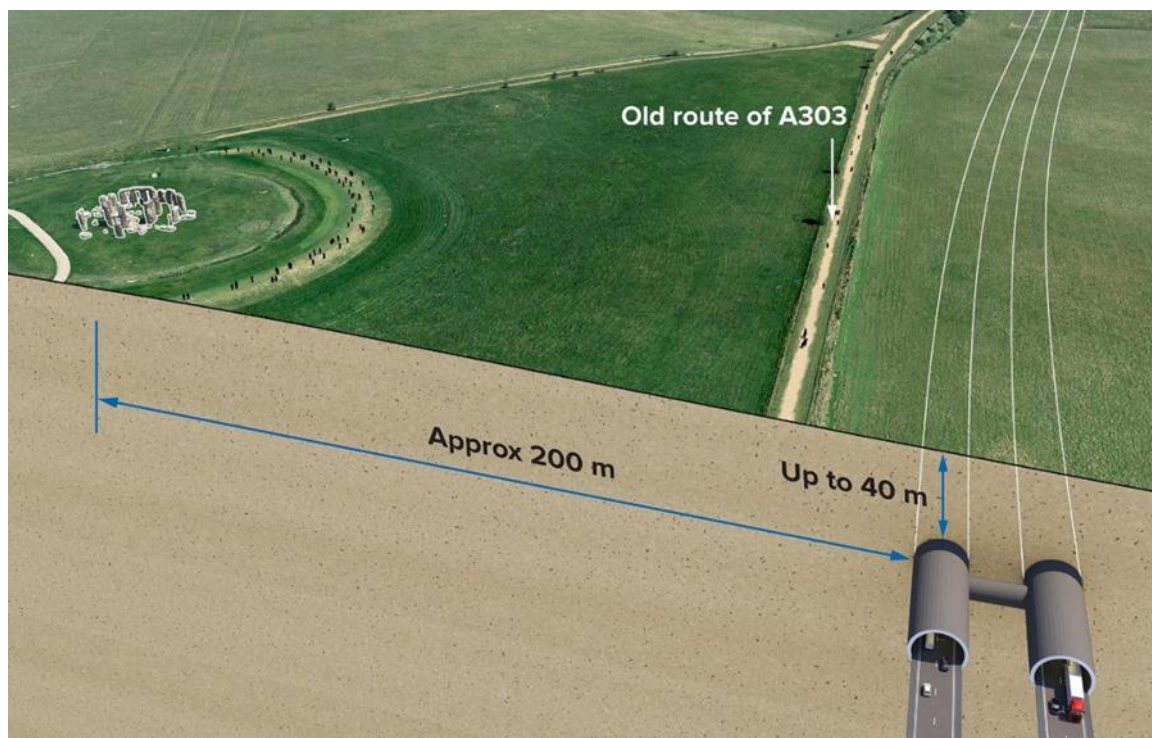
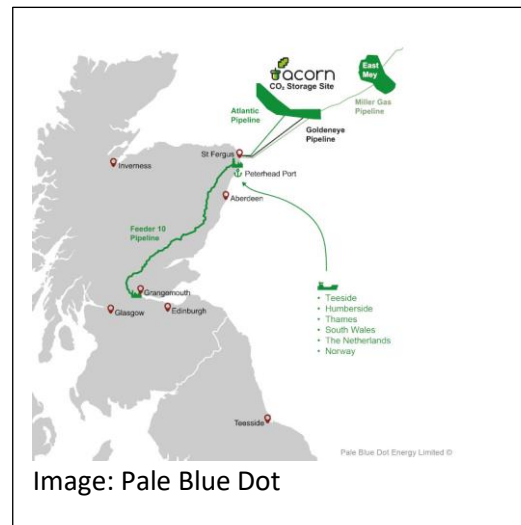


Image: New Civil Engineer

The project was approved in November 2020 despite the Planning Inspectorate's recommendation only for the High Court to rule the decision unlawful. A Joint venture formed of FCC Construcción of Spain, WeBuild from Italy and Austrian BeMo tunnelling has been declared preferred bidder. The JV is expected to be supported by a design consortium made up of Atkins, Jacobs and Spanish designer Sener.

It is very hard to see how tunnel could damage the world heritage site but opponents claim both carbon emissions (presumably during construction) and visual impairment do to visibility of the Eastern Approach tunnel entrance. One difficult aspect to evaluate is disturbance to underground artefacts that cannot be detected using current technology. The full scheme has a lot of benefits to local residents who would see a significant reduction in CO2 emissions from traffic jams, less noise as the western approach is rerouted away from the villages in the valley. No doubt this will continue to cause resentment and argument for years to com.

❖ **North Sea Oil Projects.** As the month ends, UK Prime Minister, **Rishi Sunak** visit Aberdeenshire and is expected to announce multimillion-pound funding for a carbon capture project in Scotland. The Acorn Project is intended to reuse oil and gas infrastructure to capture carbon dioxide emissions. As we reported back in March, carbon capture is a hot potato as the technology offers a workable solution to new carbon emissions. Furthermore, it's supporters claim that it could create up to 21,000 jobs. This investment would be part of what is known as Track 2 – part of the Government strategy to achieve net zero by 2050. Acorn is a joint venture with four partner companies (Storegga, Shell UK, Harbour Energy and North Sea Midstream Partners) developing decarbonisation projects in Scotland.



❖ **Ministry of Defence Projects.** There are two major procurement projects in the wind for MoD contractors.

➤ **Hypersonic Strike.** MoD released tender documents that reveal plans to expand the UK's hypersonic weapon technologies capabilities beyond national efforts made previously for civilian applications. It is thought that the way the war in Ukraine has developed has stimulated MoD thinking. The Royal Air Force led the way last year with a partnership agreement with Reaction Engines which has been a leader in the field. The HVX programme includes the Defence Science and Technology Laboratory and the National Security Strategic Investment Fund. Its purpose is to “rapidly mature technologies which can deliver a step-change reduction in the cost of developing a reusable hypersonic air vehicle”.

➤ **Submarine Hunters.** The second is not really new as the Type 26 Frigate has been part of the defence programme since its specification was written back in 1997. This means it is hard to adapt to rapidly changing real world situations. This is not an area where Agile works! So as the first batch of four City Class Anti-Submarine Warfare (ASW) frigates is undergoing sea trials, a second tranche of five ships began construction with an updated specification.

Identical to the first batch, but incorporating lessons learned in their construction and exploiting a new assembly hall which will shield the vessels from the Scottish elements unlike the first three Type 26s, the second batch represents a £4.2bn investment in the future of the Royal Navy and the shipbuilding defence industry.



Type 26 Frigate (Image: BAE Systems)

➤ **Warrior Programme (Trigger Warning).** For those of a squeamish mind, skip to the next item. Warrior is an armoured fighting vehicle (AFV) designed to complement the Challenger 2, the British Army's main battle tank (MBT). The difference between an AFV and an MBT is one of main armament and degree of protection. The MBT has more of both. Warrior came into service in 1988 and in 1922 the Defence Secretary announced plans to scrap all 288 AFVs rather than uprate them in a £1.4 billion programme so that they could fire on the move. MoD spent some £473 million on upgrade work which was written off following the announcement to scrap existing Warriors. Performance reviews have raised concern over the Army's war-fighting strength has prompted the decision to scrap Warrior to be revisited. Guess what, the Warrior replacement, Boxer, a wheeled AFV, is not all-terrain – so we need to consider extending the life of Warrior until probably 2032 but with no upgrade. Press reports put the cost to extend Warrior's life by just one more year at £136 million with another £200 million every year thereafter to keep it going until 2032. These are, of course, estimates and could increase in line with normal MoD estimation capability. Reports claim that MoD disputes the numbers. This is on top of more than £1 billion in write offs and losses. Write offs included £15 million on projects including OIL's (Boris Johnson for those of short memory) project to build a replacement Royal Yacht which blew £1.84 million.

❖ **Wind farms in trouble**

My Offshore Imp tells me that there are currently 223 offshore wind farm projects in British waters and that 43 of these are currently operating and another 1 where construction has progressed enough to connect the turbines and generate electricity. A further 3 are in the build phase and 11 are in the planning stage and either have

formal consent or have their application under consideration. So far so good as this provides a significant proportion of UK's alternative energy supply, itself nearing half of total UK power requirements.

However, all is not rosy in the offshore garden as news broke in July that Vattenfall, developers of the 1.4 gigawatt Norfolk Boreas wind farm, has abandoned work on this multibillion-pound wind farm off the coast of Norfolk because of soaring costs. Vattenfall had been planning the construction of 3 projects in the Norfolk Offshore Wind Zone. The firm is said to be reviewing the "best way forward" for Norfolk Vanguard East and West, the two other proposed 1.4GW projects in the programme. According to **Helene Biström**, head of wind for Vattenfall, the project is no longer viable as inflation increased its costs by up to 40% and post – COVID supply chain problems also contributed.

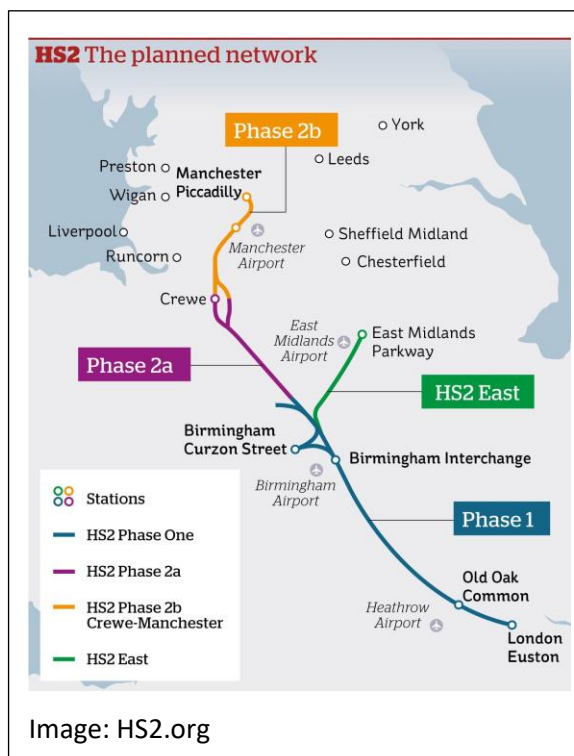
The loss of the three Norfolk projects will leave a 4.2 GW hole in the government's target of 50GW of offshore wind by 2030 which was seen as being highly challenging. The Boreas project was one of five that won contracts in 2022 to supply electricity at £37.35 per megawatt-hour at 2012 prices. The supply price is index-linked to inflation, making them come in at more than £45/MWh at current levels of inflation. However, developers say costs have risen even more steeply. Biström said they would need to secure a "significantly higher" price in future auctions to enable these to proceed or to revive Boreas, though offshore wind would still be "much cheaper than any fossil [fuel] alternatives". The Norfolk programme was expected to require investment of more than £10 billion.

Vattenfall's chief executive, **Anna Borg**, said: "Higher inflation and capital costs are affecting the entire energy sector but the geopolitical situation has made offshore wind and its supply chain particularly vulnerable." The Boreas project has already caused a SEK5.5 billion (£414 million) impairment charge.

The news of this abandoned project is deeply worrying for the Government. Of the 4 contracts at least one other is under threat. As we reported in April, Orsted's 2.9 GW Hornsea 3 wind farm off Yorkshire is at risk because of rising costs and they intend to take a final investment decision this year. Scottish Power is pressing ahead with its 1.4 GW East Anglia 3 project.

The Government has a further auction this year but developers seem reluctant to bid as they perceive the maximum contract price on offer is too low. According to reports in *The Times*, the energy department said "We are listening to companies' concerns." Orsted CEO Mads Nipper, tweeted that Vattenfall's decision was "courageous" and said he hoped for "sane auction frameworks and realistic prices" in the future.

❖ **High Speed 2 (HS2).** This is almost like shooting fish in a barrel but it seems there is trouble at HS2 but it has taken the Great British Press 10 days to notice. The message was clearly stated in the Infrastructure and Projects Authority's Annual Report on the Government Major Projects Portfolio (GMPP). HS2 has achieved "red" flags for its first two phases - from London to Birmingham then onto Crewe. In IPA speak, a Red flag means "Successful delivery of the project appears to be unachievable" and "major issues with project definition, schedule, budget, quality and/or benefits delivery, which at this stage do not appear to be manageable or resolvable". So "the project may need re-scoping and/or its overall viability reassessed."



Phase 3, running from Crewe to Manchester was given an "amber" grading, under which successful delivery of a project "appears feasible", but "significant issues already exist". With an initial budget in 2015 of £55.7bn for the whole project, the target cost excluding the eastern leg of Phase 2b from the West Midlands to the East Midlands has soared to between £53bn and £61bn at 2019 prices. **Mark Thurston**, HS2 Ltd's chief executive for six and a half years announced his resignation. He will leave in September. Phase one of the project between London and Birmingham is under construction, with major work taking place at more than 350 sites. Let's hope the problems causing the cost escalation will diminish not the real work is under way.

❖ **Other Major Projects.** New Nuclear continues to focus on small modular reactors in the Press so the news that the Government has made another £170 million available for Sizewell C attracted little attention. The Department for Energy Security and Net Zero said the cash was in addition to the £679 million the government invested in 2022, when it took joint control of the project with EDF, of France. Apparently, the extra dosh is "to prepare the Sizewell C site for future construction, procure key components from the project's supply chain and expand its workforce"

TECHNICAL TOPICS

❖ **Trust Matters.** I know it's the Silly Season but we have just been through what (I hope) is a salutary event. It has been called many things but it is most evocatively known as the Farage Farrago. In outline, we have a character who made his name as the face of BREXIT. For many people he is a bit Marmite, strongly flavoured and not to everyone's taste. Anyway, he had his bank account at Coutts, a private bank for the wealthy (including the Royal Family, one hears), closed. There was a hoo-ha over this and the Bank did not cover itself in glory as it erroneously claimed the closure was due to his account falling below the required threshold when actually it was closed because they did not like what he stood for. You might be wondering what this has to do with project management, but the clue is in the heading above. I hold no brief for either the Bank or Mr Farage but this is a matter of reputational trust. The Bank took the view that their reputation would be damaged by doing business with the man and took action. Perhaps this might have been understood had they bothered to explain themselves, rather than just close the account and give no reason. The problem for the Bank is that closure like this is not legal but for project managers as professionals, this could pose an ethical problem. Translated into our terms, could we refuse to manage a project with which we disagreed but had a contractual obligation to complete? Would we wish to be associated with something we saw as improper, unethical or even just against our instinct? Is our reputation able to survive something like that?

❖ **New BSI Standard.** The British Standards Institute (BSI) launched its latest project standard in late June. BS 202002 Applying benefits management on portfolios, programmes and projects – Guide integrates with other BSI related standards including BS 6079 :2019 – Project management – Principles and guidance for the management of projects. This is a very important guide and will help many to understand the intricacies of what many see as a hopelessly complicated aspect of project management.

PROFESSIONAL ASSOCIATIONS



It has been a busy month for the professional societies. The Association for Project Management (APM) launched its development project to update its Body of Knowledge (APMBOK). The first step has been to launch an on-line consultation to review the BOK in preparation for the publication's eighth edition in

2025. In their news release, APM state that BOK 8 will focus on refinement and, drawing on good practice and evidence, maintaining pace with our fast-moving profession. They also state that the BOK “is long-associated as being written by the profession, for the profession”; an ethos that will be maintained for APM’s upcoming edition. Interestingly, the BOK has a long history of academic drafting underpinned by research and in recent years, editorial direction by academics but final editing by practitioners. The consultation is exploring three streams for the review:

- How can APM update or make improvements on the current edition’s content?
- What are the new topics that are impacting our profession now and in the future that should be added to the APM Body of Knowledge?
- How can APM make the APM Body of Knowledge more accessible and what formats best support that for the profession?

This initiative is being led by **Professor Carl Gavin** who has been appointed editor of the *8th edition*, which will launch in 2025. He brings over 35 years’ experience in project management. He has directed and managed large-scale projects for a diverse range of businesses and public sector organisations. Currently Professor of Project Management at Alliance Manchester Business School (AMBS), University of Manchester, he is a director of several bespoke executive education programmes on project management, project leadership and project sponsorship for organisations delivering complex projects, including AWE, BAE Systems, BP and the National Trust.

Meanwhile, APM Research Fund awards for 2023 were also announced.

- **£50,000 funding – Digital Transformation in Public and Private Sector Project Management by Dr Nicholas Dacre, Dr David Baxter, Dr Hao Dong, Dr Al Mhdawi; University of Southampton.** This research aims to investigate the impact of digital transformation on the project management profession, specifically in relation to the methods and skills required in the emerging AI economy for effective project delivery.
- **£5,000 funding – Successful Integration of Agile Project Management in the Context of Sustainability by Dr Ruben Burga and Professor Chris Spraakman; University of Guelph and Mohawk College.** This research is focused on identifying the necessary human factors for successful integration of agile project management in the context of sustainability. Agile projects in particular were chosen as the focus due to their prevalence in the IT sector and the increasing use of AI in these projects, in the context of sustainability due to its growing importance in current environmental, societal, and governance concerns.

APM is currently in discussions with the third finalist of the research fund, whose proposal focuses on exploring neurodiversity in project management.

On top of all this activity, APM has also responded to the IPA Annual Report. CEO **Adam Boddison** remarked “Good project outcomes require the right conditions for success. This is why we are calling for greater project input far earlier in the government’s policy making process and more governmental support for the IPA. By setting a higher standard for the way we make decisions, challenge and respond to uncertainty, we can deliver projects which benefit generations to come.”

ENVIRONMENTAL ISSUES

Beaver Affairs. This has been an interesting month for our furry friends. On the one hand, despite winning legal protection back in October 2022, wildlife groups claim still to be unable to get licenses to release the beast. Last month wildlife groups told *The Times* that the Department for Environment Food and Rural Affairs (Defra) was blocking their release. Thérèse Coffey, the environment secretary, said: “I think there are more



Image: Getty Images

important things than beavers.” Now a cross party a cross-party group of Members of Parliament (MPs) want the government to pay farmers compensation for damage caused by beavers during efforts to help the species return to the wild across the UK. These MPs also said existing arrangements for reintroducing species such as beavers, lynx and bison to the UK were “completely inadequate” and “overly bureaucratic”. I note that two adult beavers and their two kits were relocated from their breeding site on the River Tay in Scotland to a new home on the River Wansbeck in Northumberland. This has been accomplished by the National Trust who are employing the beasts to help alleviate flooding in the area. Sounds like relocation is not the same as releasing.

CLOSING REMARKS

My Scottish agent tells me of a remarkable effort by two young brothers to recreate the Antarctic exploits of Sir James Clark Ross and his crew. Ross braved four years commanded HMS Erebus and HMS Terror on an expedition to the Antarctic from 1839 to 1843. He returned to Britain as one of the great polar explorers. Now, the Ferguson brothers, Ollie aged 13 and his brother Harry (aged 11) have spent two years creating miniature versions of Erebus and Terror. Their wooden vessels, each measuring one

metre, were launched into the Southern Ocean in July for a journey that could take two-year journey to cover 12,500 miles, as they are carried by the circumpolar current.



Image MACNEILL FERGUSON/PA

The Times reports that the family spent two years building the models, seeking government approval and finding accomplices to aid the launch. The Fergusons sought to replicate the ships as closely as possible using original drawings. The 25kg boats were sent to a family friend in the Falkland Islands. They were handed to a fisheries vessel as it left Port Stanley on July 9 and then launched in the ocean west of South Georgia a week later. The boys will be able to chart the progress of their boats using GPS tracking systems. The tracking devices also have a scientific purpose, in homage to Ross, recording air and ocean temperature and the pH level of the water. Information will be uploaded online with photographs from onboard cameras. Some expedition!

Loo Gardens. The Thames Tideway Tunnel project is a major project to improve the sewage management around London but despite serious nature of the project, they have found time to unveils *Loo Gardens* – a magical subterranean installation – nested within the Thames Tideway Tunnel, also known as London’s ‘super sewer’, created to symbolise the healthier future of the River Thames. The unique underground

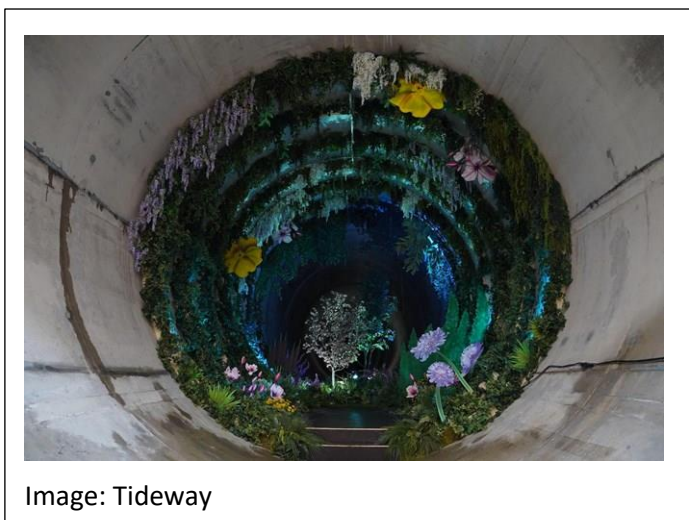


Image: Tideway

oasis, featuring a playful, river-inspired experience, pays homage to the positive environmental impact the super sewer will have on London by preventing millions of tonnes of raw sewage entering the river every year.

More Cricket. All eyes in UK and Australia have been focused on the spellbinding Ashes Series which is drawing to a close as I write. But this is not the only major cricket series. Major League Cricket is up and running at a former baseball stadium in Grand Prairie just outside Dallas. The new T20 competition began early in July when the Texas Super Kings took on the Los Angeles Knight Riders. I gather that Benjamin Franklin returned from a trip to England with a copy of the 1754 laws of the game, and there is some evidence that George Washington played a game called “wickets” with some of his troops. I even saw some of the first game in the Challenger series on TV here in deepest Wiltshire.

And so I end this month’s report. I have not had time to assess the IPA Annual Report but will do so and provide some comments in the course of the Summer.

About the Author



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Miles Shepherd is an executive editorial advisor and international correspondent for PM World Journal 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. His consulting work has taken him to Japan, Taiwan, USA and Russia. Past Chair and Fellow of the Association for Project Management (APM), Miles is also past president and chair and a Fellow of the International Project Management Association (IPMA). He was, for seven years, a Director for PMI’s Global Accreditation Centre and is immediate past Chair of the ISO committee developing new international standards for Project Management and for Program/Portfolio Management. He is currently Chairman of the British Standards Institute project management committee. 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@m-sp-ltd.co.uk.