

UK Project Management Round Up



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INTRODUCTION

Last month was the official Silly Season, it spawned a welter of party political conferences, posturing and particularly irritating claims by people who should know better. In this sea of trivia, a particularly concerning announcement emerged – the cancellation of Europe’s largest engineering project. This is an event of major project management importance and I will cover this shortly.

October was not all bad news, though, and there is some news on the nuclear front, completion of another long running project (but not in UK), pharma success in Africa and more conservation news.

GOOD NEWS

First up is news of another long running ecclesiastical project. Although this event took place in Spain, it echoes, to some extent, Last month’s opening story so I make no apology for noting that the Sagrada Familia has passed a milestone with the completion of four towers. This project has taken rather longer than the restoration



Sagrada Familia

Image: Getty Images

project at Salisbury Cathedral and longer than planned as it has taken 141 years since the first stone was laid.

Each tower represents one of the four evangelists, and the final sculptural pieces have been set in place: Matthew is an angel and John an eagle. They join Mark and Luke, in the forms of a lion and an ox.

According to press reports, the focus will shift to the final and tallest tower, dedicated to Jesus. The schedule claims this will be completed, and the church's construction will be finished, by 2026.

More good news comes with the approval by the World Health Organisation of a cheap malaria vaccine developed by Oxford University. The R21/Matrix-M treatment, in combination with other measures, has, according to World Health Organisation (WHO) officials, marked a big step towards "a malaria-free world" and is expected to save the lives of millions of children. Malaria is estimated to have caused 627,000 deaths in 2020. Most of these deaths are of young children in sub-Saharan Africa. Although the annual global death toll has roughly halved since 2000, this decline has slowed in recent years. **Professor Sir Adrian Hill**, director of Oxford's Jenner Institute, who led its development, said: "The vaccine is easily deployable, cost-effective and affordable, [and] ready for distribution in areas where it is needed most."

NUCLEAR NEWS

➤ **Submarines.** BAE Systems has reported a major achievement as the Ministry of Defence has awarded £3.95 billion of funding to BAE Systems for the next phase of the UK's next-generation nuclear-powered attack submarine programme, known as SSN-AUKUS



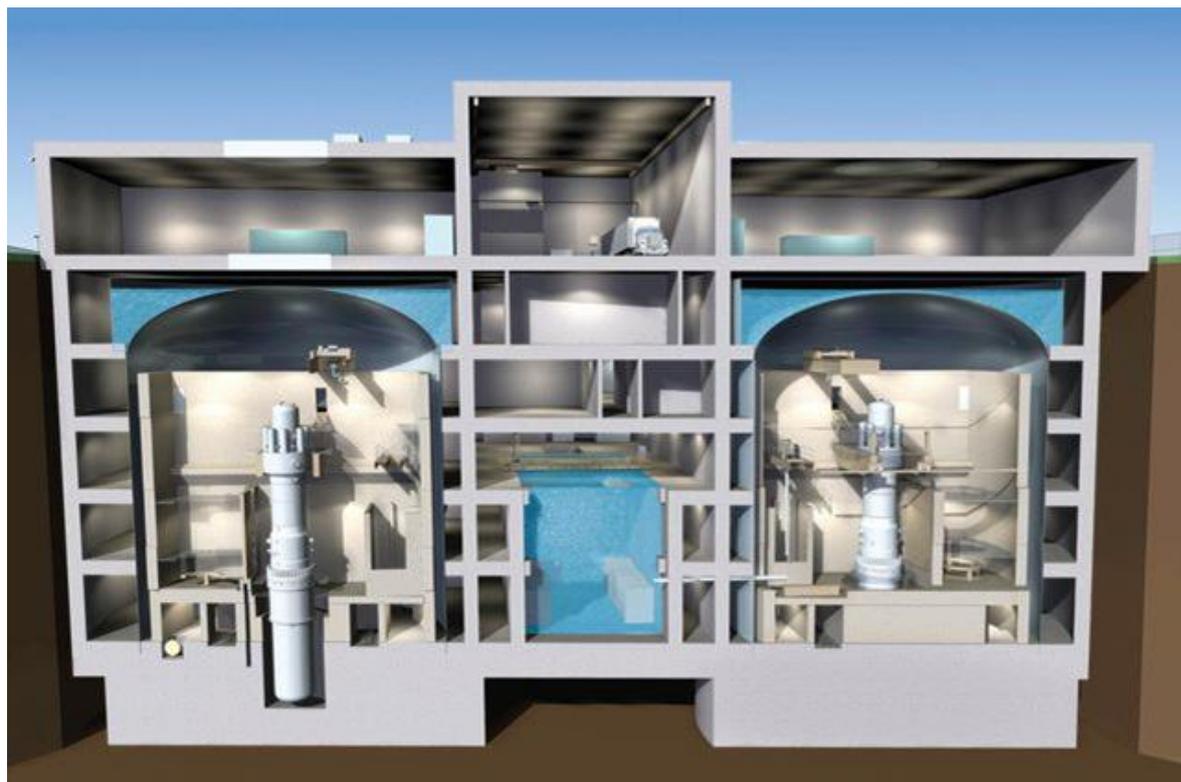
Image: BAE Systems

SSN-AUKUS will be the largest, most powerful and advanced attack submarines the Royal Navy has ever operated and will eventually replace the Astute class, which BAE Systems builds at its site in Barrow-in-Furness, Cumbria. This will eventually see

Australia and the UK operate SSN-AUKUS submarines, which will be based on the UK's next generation design, incorporating technology from all three nations, including cutting-edge US submarine technologies.

Delivery of the UK's submarine programmes is a national endeavour between government and industry. BAE Systems' Submarines business plays a vital role in the UK economy, particularly in the north west of England. By the end of this year, its workforce will grow to 12,500, including around 900 new apprentices and graduates. The business plans to recruit an additional 2,700 people next year, which will include a further 900 apprentices and graduates providing a significant employment boost for the region.

➤ **Small Modular Reactors.** The Government has announced the short list of firms to compete for up to £20 billion in taxpayer funding to design Small Modular Reactors (SMRs). This shortlist includes Rolls-Royce SMR – a 'factory-built' nuclear power plant which will provide enough affordable clean electricity to power a million



Artists impression of underground SMR installation. *Image Credit: Babcock & Wilcox*

homes for 60+ years, helping achieve our net zero targets.

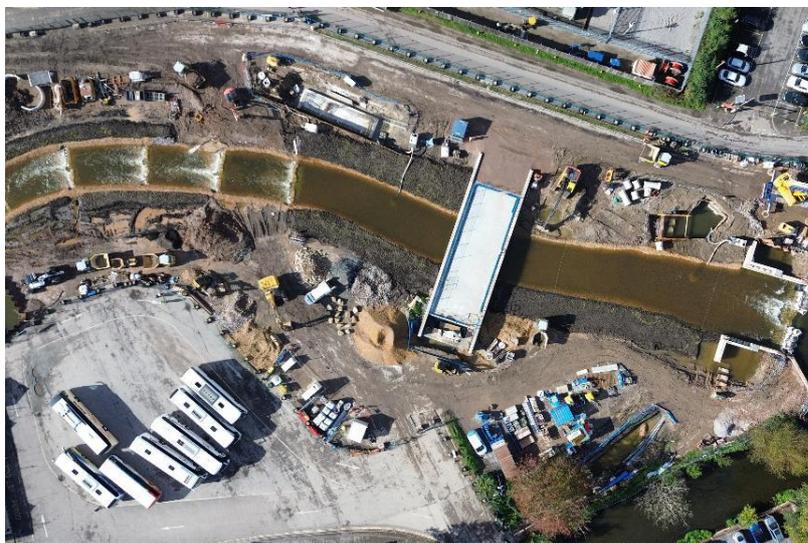
In addition to Rolls Royce, there are five other firms in the running: EDF, the French group, and four from the United States — Holtec, NuScale, Westinghouse and GE Hitachi — also have made the shortlist to deploy their small modular reactor

technologies in Britain. However, Bill Gates' TerraPower, was among those that missed out. None of the proposed reactors have been built anywhere in the world.

Ministers said last spring that Great British Nuclear would run a competition to “select the best SMR technologies for development by autumn”. The announcement marks the completion of the first stage: the selected companies will be invited to bid for government contracts, with up to four winners to be announced in the spring of 2024. Contracts would be awarded in mid-2024 although given the recent performance of Government procurement, this seems optimistic.

SMALL PROJECTS

As many readers will know, I live in Wiltshire, England. This is an area where much ancient ritual took place (think Stonehenge and Avebury as two examples). It is also an area with many significant natural features, including chalk streams. These are deemed internationally important rivers due to their nature and, therefore, the plant and animal species that they support. Five such rivers flow into Salisbury, and one – the Hampshire Avon, flows out. A project to create a river park through the centre of Salisbury City Centre to protect and enhance this important landscape has been under way for about 18 months and reached a major milestone in October when the River Avon channel was reopened and some bridge work completed.



Re-opened River Avon channel

The project also aims to reduce the risk of flooding within the city.

This is a multi agency multi phase project costing around £35 million of which about £23.5 million comes from the Flood Defence Grant in Aid,

The river channel, and adjoining floodplain, has been closed since summer 2022. It has been widened to

increase capacity and reduce the risk of flooding. Alongside the widening works, a new control weir has replaced the sluice gate between Millstream and the main River Avon, with a series of rock weirs added to allow the drop in water level whilst still allowing upstream and downstream fish passage. The previous gate acted as a barrier to fish migrating upstream, with the new channel designed to improve habitat connectivity and biodiversity. Project Lead for the Environment Agency, **Andy Wallis**,

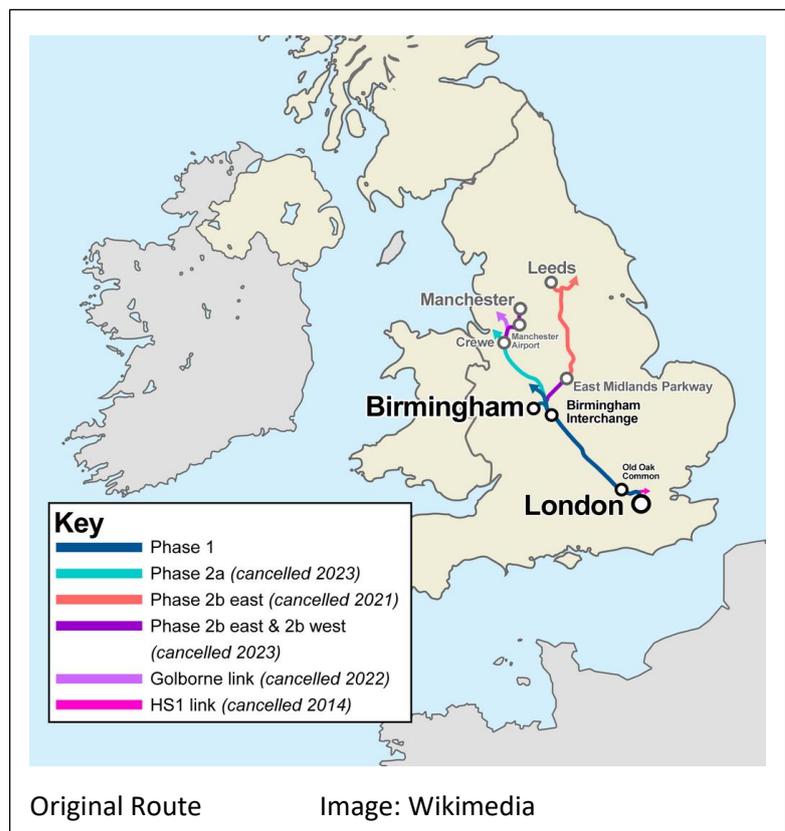
said, “Allowing flow back into the River Avon channel is an important milestone for the Salisbury River Park project. This part of the scheme will be essential in achieving our aims to remove barriers to fish movement throughout this area. We look forward to seeing how the channel establishes”. The next stage of the works will see the start of landscaping and planting alongside the Avon channel and a new Summerlock stream channel being connected to the main channel.

HIGH SPEED 2

Regular readers will recall that High Speed 2 (HS2) is, or rather was, Britain’s new zero carbon, high-speed railway, and the UK’s flagship transport levelling up project. According to the Levelling Up White Paper, it is a moral, social and economic programme for the whole of government. The Levelling Up White Paper sets out how we will spread opportunity more equally across the UK. HS 2 was also the biggest rail investment ever made in the North of England and is the largest infrastructure project in Europe.

Given this hype, it came as something of a blow when **Rishi Sunak**, the prime minister announced the cancellation of the high-speed Birmingham to Manchester leg of HS2. There had been speculation that something like this was under “active consideration” as I reported last month but the actuality was still shocking. This decision comes after years of problems for the project, with the eastern leg of the line between Birmingham and Leeds scrapped in 2021, work on the Birmingham to Crewe leg delayed this March, and work on the Euston terminus paused as costs spiralled. The project has been almost constantly beset by delays, cost overruns, downgrades, and cancellations.

HS2 was designed to address three key problems facing the nation: excessive crowding on transport networks, mainly road, burgeoning carbon generation and poor connectivity between major economic centres. HS2 was to provide increased and



faster capacity, reduce carbon generation through increasing rail capacity thus reducing the need for road transport and delivering better connectivity.

From a project perspective, there have been many successes, notably in the tunnelling and route planning but the public perception has been one of major deficiencies in areas of overall planning, risk management and estimation. From the start, the estimation process seems to have failed with the original estimate of £55.7bn for the whole project (set in 2015) has since surpassed £100bn. While some of this is undoubtedly due to inflation, the bulk of the increase is down to poor risk analysis and what seems to be a lack of cost control. One significant factor has been the sharp rise in the cost of compulsory purchase of property to provide the route for Britain's first new railway since the 19th Century. This problem is not new as any history of railway development will show. Then as now, there were also claims of financial irregularity.

However, the main failing seems to me to have been exceptionally poor stakeholder management. That the stakeholder map for such a large project – both financial and geographic – is certain to be huge cannot be denied but that alone should demand careful attention and speedy reaction.

A key aspect of this is benefits management. The topic is poorly understood and frequently poorly implemented which demonstrates a lack of professionalism amongst Project Managers who should be drumming the need for this into senior management and emphasising how it fits with the business case as well as with managing stakeholders. For the last several years, the Great British Public (GBP) have had cost inflation presented in the tabloid and broadsheet press but little in the way of reasoned counter argument. In part, this is a scale issue. The Project Sponsor is hard to identify and responsibility lies with politicians and we all know where their major interest lies.



HS2 Tunnell work. Image: Construction Europe

Without doubt there are macro-financial issues at stake here and the £36 Billion “savings” the Prime Minister has made will allow him to finance other projects that are of greater local appeal and might help him survive politically. The Sunk Cost arguments can be raised by both those who want to abandon the project and those who want to carry on but the major stakeholders wishes need to be taken into account.

It is by no means clear just what these are and recent reports in *The Sunday Times*

challenge the conventional view that North – South communications need to be improved. Few people believe that cutting the journey time from the Midlands to London by 8 minutes can possibly justify the eye watering cost of HS2 but a much stronger case could and should have been made of the savings that increased rail capacity brings.

Much of the debacle is outside the control of rank and file project professionals but as a profession, we must do much more to generate the conditions for successful project delivery. This will require better approaches to cost estimation, stakeholder engagement (note not management!) and upward management by which I mean carrying senior management and where appropriate, government, towards better and more timely decision making.

The impact of the HS2 abandonment will be felt for a long time. As a demonstration of inability to manage infrastructure projects it will damage Britain's managerial and decision making reputation but more significantly the impact on jobs will be the biggest blow. Skanska have already begun to earmark redundancies across eight of its UK departments and there will also be a knock-on effect on other infrastructure projects such as the Lower Thames Crossing project.

CONSERVATION PROJECTS

- **Sizewell C Rewilding.** EDF, the main developers of the new nuclear plant has revealed details of the new nature reserves it has been creating as part of mitigation for its controversial new nuclear power plant. Planning consent obligations mean that the developers of the new power station, situated just to the south of the RSPB's flagship Minsmere reserve, must offset damage caused by the construction by creating new areas for nature. EDF says it spent £5 million on the purchase of 67-ha Aldhurst Farm, which has now become 'Wild Aldhurst'. Western Marsh Harriers have now been recorded on the site, along with Odonata such as Norfolk Hawker and mammals including Eurasian Otter. Apparently, we can expect a hide overlooking the lagoons, a visitor centre and expanded parking. Other sites being returned to nature on the Sizewell estate include another arable farm of a similar size to Aldhurst, where a new wetland has been created, and a 22-ha area to the south of the power stations. Comment in the influential magazine BirdGuides do not reflect this rosy view but something is better than nothing and we need some electricity despite the nay-sayers.
- **Mendip National Nature Reserve.** The south facing slopes of the Mendip Hills have been announced as one of the 'King's Series' of five new National Nature Reserves across the country. The plans will see the creation of a new 'King's Series of National Nature Reserves', with five major National Nature Reserves named every year for the next five years – 25 in total. The Lincolnshire Coast has been declared and the remainder are likely to include Moccas Park in Herefordshire, Ingleborough in North Yorkshire and Lullington in East Sussex.

The new Mendip ‘super’ National Nature Reserve (NNR) will conserve and help restore over 1,400 hectares of steep limestone slopes, traditional wildflower grasslands, ancient wooded combes, spectacular gorges and rocky outcrops. It will bring together 31 existing nature reserves and more than 400 hectares of new land which will now be



Mendip Hills AONB

Image: Paul Boktie

managed primarily for conservation, as well as creating more space and greater access to nature for local people. The site is the second in the new King’s Series of National Nature Reserves.

CLOSING REMARKS

Well, the month started with some very bad news for projects and project management but there are many lessons to be learned from them. Lets just hope someone learns them! There has also been some reassuring news on the conservation front as a new super National Nature Reserve is announced.

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.