

## POW BECK PROJECT REVIEW REPORT

REVIEW OBJECTIVES	SUMMARY FINDINGS
<p>1. To understand the original scope of the Pow Beck Stadium project development, the role of the Council, the agreed funding arrangements, how changes to project scope were managed over time and how associated risks were managed</p>	<ul style="list-style-type: none"> <li>• The original scope of the project was to build a Community Sports Village with extensive facilities in the Pow Beck Valley (PBV) area of Whitehaven. Due to changes in funding and the challenging economic climate this scope was reduced to a smaller stadium only. Subsequently to the recent withdrawal of the council from the project, the Rugby and Football Clubs are now exploring alternative schemes themselves.</li> <li>• The project was initiated as a partnership between BEC, CBC, WRLFC (Rugby Club) and WAFAC (Football Club). The Council took the lead role in the delivery of the project, following the withdrawal of BEC, in a legitimate attempt to lead this important regeneration initiative.</li> <li>• The funding arrangements for the project came from the BEC initiative. Historically the council had provided a loan and bank guarantees to the Rugby Club, but the loan was lost when the Rugby Club went bankrupt.</li> <li>• There were numerous and significant changes to scope throughout the lifecycle of the project and whilst a number of change controls were submitted to BEC to reflect the evolution of the scheme, the impact assessment of these changes on the overall project is not as robust as it should have been.</li> <li>• There were significant risks associated with this project from Day 1. A risk register was prepared at the first WYG Project Initiation meeting and risks were regularly reviewed at the Project Partner meetings. Whilst the risks reviews are included in minutes of Partner meetings, actionable mitigation planning was not as robust as it could have been.</li> </ul>
<p>2. To consider the overall Pow Beck governance, project management and reporting arrangements plus technical inputs for both the council and its partners</p>	<ul style="list-style-type: none"> <li>• The overall governance of the project seems to have been informal, as was the project management and reporting arrangements. A 'partnership board' was put in place, which BEC attended and a senior officer and Executive Member of the council were assigned to the project. However, the project was not properly resourced, in terms of a cross-functional dedicated client team, and clear roles and responsibilities were not established.</li> <li>• The technical inputs from the partners, such as detailed scheme designs and costings, were not managed by dedicated suitably qualified and experienced client resources. The management and assurance of partner deliverables, e.g. from the design consultancy WYG, were informal.</li> </ul>

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3. To understand how Copeland's involvement in the Rugby League World Cup was progressed and its impact on stadium delivery managed	<ul style="list-style-type: none"> <li>• The council's decision to bid for the Rugby League World Cup (RLWC) was opportunistic and this was understood by the RFL. However, it seems there was no clear assessment of the risks associated with the timeline of the stadium project.</li> <li>• The RLWC had a significant impact on stadium delivery both during and after the bid process and it was seemingly managed at arms-length to the project. However, the main impact of the decision may have forced issues with the project (i.e. stadium delivery) to a 'head' which resulted in the withdrawal of the council from the project.</li> </ul>
4. To identify the learning points for the Council within the context of its current and future business priorities	<p><i>The learning points for the council based on its current and future business priorities are included in the following table.</i></p> <p>In summary, the key areas where the project faced significant challenges included:</p> <ul style="list-style-type: none"> <li>• Limited resources across stakeholder groups</li> <li>• Need for clear roles &amp; responsibilities</li> <li>• Sensitive funding model and business case</li> <li>• Changing economic circumstances of funders/partners</li> <li>• Project delivery complexity requiring adequate resources with the right skills, expertise and experience</li> </ul>
5. To present recommendations for future programme and project management systems across the Council	<p><i>Recommendations for future programme and project management systems across the Council are also included in the following table.</i></p> <p>In summary, a number of critical success factors have been identified for project, programme and portfolio management (P3M) capability across the council moving forward:</p> <ul style="list-style-type: none"> <li>• Members' involvement that is outcome focussed with clear decision making</li> <li>• Senior management involvement with delegated authority as required</li> <li>• Robust monitoring &amp; reporting of risks and progress against objectives</li> <li>• Detailed planning of milestones and scenarios including contingency</li> <li>• Appropriate allocation and use of resources</li> <li>• Stakeholder engagement</li> <li>• Independent quality and delivery assurance</li> <li>• Suitably qualified &amp; experienced resources with dedicated project management capability</li> </ul>

CRITICAL SUCCESS FACTORS	LESSONS LEARNT	RECOMMENDATIONS
1. Links between the project and the organisation's key strategic priorities, including agreed measures of success.	<ul style="list-style-type: none"> <li>• Assessment of all projects against the key strategic priorities of the council, together with the definition of expected outcomes.</li> <li>• Clarity and agreement between stakeholder groups regarding accountabilities for strategic projects and the sustainability of strategic schemes over the long term.</li> <li>• Involvement the Monitoring Officer in strategic development projects, not just the Legal team.</li> <li>• Assessment of the organisational impact and resource requirements of running big strategic projects.</li> </ul>	<p><b>Elected members should have clear and prime responsibility for setting strategic objectives and;</b></p> <ul style="list-style-type: none"> <li>• Overseeing corporate compliance</li> <li>• Making key decisions</li> <li>• Monitoring performance</li> <li>• Learning and applying lessons learnt</li> </ul> <p>The role of the Overview and Scrutiny Committee (OSC) should be to promote gateway reviews and lead best value reviews.</p>
2. Senior management ownership and leadership.	<ul style="list-style-type: none"> <li>• Establish clear governance structures and portfolio management processes for strategic projects, i.e. effective risk and issue management, plus clear monitoring and reporting.</li> <li>• Defined roles and responsibilities of senior officers and elected members</li> <li>• Defined roles and responsibilities for all 3<sup>rd</sup> parties and suppliers involved in strategic projects</li> <li>• Assess the political continuity risks associated with strategic projects.</li> </ul>	<p><b>The roles and responsibilities of the Corporate Management Team should include the monitoring of progress against approved business cases for all strategic projects and;</b></p> <ul style="list-style-type: none"> <li>• Conducting inquiries and reviews</li> <li>• Defining project budgets and monitoring variances</li> <li>• Reviewing performance of partnerships and key contracts</li> <li>• Ensuring lessons learnt are embedded</li> </ul>
3. Effective engagement with stakeholders	<ul style="list-style-type: none"> <li>• Undertake stakeholder analysis for all strategic projects, to assess buy-in and influence.</li> <li>• Monitor stakeholder engagement as part of corporate governance arrangements and take specific actions as required.</li> <li>• All strategic projects should have a documented communications plan.</li> </ul>	<p><b>Members and the Corporate Management Team should focus on partnership working and ensure deliverables and outcomes are agreed up front.</b></p> <ul style="list-style-type: none"> <li>• The Council should only work with partners who have relevant expertise and a track record of delivery.</li> <li>• Project assurance should be in place throughout the lifecycle of a project</li> <li>• Clarity of roles is critical for the organisation and its partners moving forward.</li> </ul>

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4. Skills and proven approach to project management and risk management	<ul style="list-style-type: none"> <li>• Assign dedicated project teams to strategic projects.</li> <li>• Ensure strategic project teams have the required specialist skills for specific types of strategic projects.</li> <li>• Undertake formal project and programme management training for all officers involved in strategic projects, including estimating, planning and benefits realisation.</li> <li>• Undertake formal risk management training for all officers involved in strategic projects.</li> <li>• Define a corporate methodology for programme, project and portfolio management, including consistent reports and monitoring dashboards.</li> </ul>	<p><b>Effective leadership and quality of decision making require:</b></p> <ul style="list-style-type: none"> <li>• Corporate arrangements – capacity and capability to deliver</li> <li>• Governance processes – built around effective project, risk and legal controls and a standard corporate project lifecycle with regular gateway reviews</li> <li>• Contract management – outcomes focussed, continuous improvement and based on sound commercial relationships</li> <li>• Need clear gateway reviews/break-points with robust checks and balances, plus clear trigger points for escalation of issues.</li> </ul>
5. Breaking development and implementation into manageable steps.	<ul style="list-style-type: none"> <li>• Ensure all strategic projects are subject to internal (and external where required) peer review, particularly in terms of validating scope, estimates, plans and outcomes/benefits.</li> <li>• Consistent basis for establishing and managing contingency in terms of cost, time and scope.</li> </ul>	<p><b>There needs to be a clear vision for all strategic projects and ongoing assurance against agreed objectives and outcomes.</b></p> <ul style="list-style-type: none"> <li>• The Corporate Management Team needs to build teams that function effectively and provide a delivery capability – mix of officers, councillors and partners.</li> <li>• The council has a capability gap on big strategic projects – the focus should be to work with strategic partners in a supporting and advisory role with community needs at the heart.</li> </ul>
6. Evaluation of proposals driven by long term value for money (especially securing delivery of business benefits)	<ul style="list-style-type: none"> <li>• All strategic projects should have an associated business case based on full-lifecycle costing of schemes that is agreed by the Corporate Leadership Team, reviewed by Overview and Scrutiny Committee and approved by Cabinet.</li> <li>• Impact assessments of strategic projects on customers and other stakeholders should also be undertaken.</li> </ul>	<p><b>The Corporate Management Team should develop a robust commercial focus across all strategic projects.</b></p> <ul style="list-style-type: none"> <li>• Strategic projects should have success criteria, key outcomes and benefits defined prior to work starting, especially where outputs are dependent on third parties.</li> <li>• Benefits management should be managed across the Council and potentially as a specific workstream on the corporate transformation programme.</li> </ul>

CRITICAL SUCCESS FACTORS	LESSONS LEARNT	RECOMMENDATIONS
7. Understanding of and contact with the supply industry at senior levels in the organisation	<ul style="list-style-type: none"> <li>• Early dialogue with partners, stakeholders and even potential suppliers will help to establish the long-term feasibility of schemes.</li> <li>• The role and responsibilities of strategic advisors to the council, third parties and suppliers should be established and documented prior to contracts being put in place.</li> <li>• All key suppliers should nominate a senior responsible person who is accountable for the supplier deliverables and commercial arrangements.</li> </ul>	<p><b>A corporate risk management framework that is actively managed is required across the council.</b></p> <ul style="list-style-type: none"> <li>• This will ensure that risks associated with the portfolio of strategic projects are managed with clear mitigating actions and contingency plans, particularly external risks associated with suppliers or risks that may impact the reputation or credibility of the council.</li> <li>• Senior management and political buy-in/appetite as part of a strategic vision is essential on big projects to ensure effective engagement of partners, help timely resolution of issues and to ensure the long term benefits are realised.</li> </ul>
8. Effective project team integration between clients, the supplier team and the supply chain	<ul style="list-style-type: none"> <li>• Joint cross-functional teams with suppliers and other partners should be considered for all strategic projects, with both shared and specific responsibilities and deliverables.</li> <li>• Commercial arrangements with suppliers, partners and other stakeholders should be document and approved prior to work starting.</li> <li>• Need a clearer route to report (formally and informally) to members.</li> </ul>	<p><b>Clear corporate governance arrangements should be in place for the portfolio of strategic projects, together with specific project boards for large, complex schemes.</b></p> <ul style="list-style-type: none"> <li>• Clarity of the Council's role in major projects is essential, particularly in terms of capacity, expertise and risk management.</li> <li>• The role of the OSC should be more proactive and challenging on strategic projects in terms of challenge, assurance and risk management.</li> </ul>