

# Fixing the project delivery system

Good morning ladies and gentlemen,

I want to start by highlighting the Institute for Government's recently published annual Whitehall Monitor report which sets out our commentary on our [Annual Report](#) data.

It is absolutely right when it comments that the Government needs to do more to prioritise and balance the infrastructure pipeline.

This government has an ambition to deliver 'an infrastructure revolution'. This includes levelling up economic and social infrastructure, with an additional £100 billion investment commitment to ensure that all citizens across the UK will benefit.

What is already clear, is that the government is committed to driving better infrastructure performance and whole life value from taxpayer-funded investments.

Government has taken sustained action to build project and programme capability over the past decade.

We have experience in delivering successful programmes over the years, like 30 Hours Free Childcare or the continuing good work that the Nuclear Decommissioning Authority is doing with Sellafield to safely decommission the site.

However, we can do better.

We have many great projects in train, projects which will make a real difference to the UK's infrastructure and the lives of people across the country.

But too often we let the people of this country down, because our projects are late, cost more than planned, or fall short on their promised benefits.

We need to take action collectively across government, and indeed across across the wider public sector and private sector too.

We need to fix the project delivery system.

To do this we need to focus on the three 'P's: people, principles and performance, to improve the effectiveness of delivery and provide better outcomes for citizens:

- Making sure our people have the tools, competence and skills they need to deliver.
- Being clear about the principles of delivery and getting the basics of delivery right.
- Driving a step change in performance so we can meet future challenges.

## People

As the Cabinet Office Talent Champion and Gender Equality Champion for the Project Delivery Profession, I know that nurturing our people is of primary importance.

We need to equip people with the tools and capability they need to deliver this infrastructure revolution.

We know that having leaders with the right skills and experience is a key factor in project outcomes. We also know that the more complex the project, the more important that becomes.

Project Delivery is a growing profession, and interest in it has surged in recent years. Through programmes like the [Major Projects Leadership Academy \(MPLA\)](#) and [Project Leadership Programme \(PLP\)](#), we have trained over 2000 professionals since 2012, and we have a flourishing pipeline of early talent through our popular Project Delivery Fast Stream scheme.

But the drive to professionalise project delivery in government is still recent.

And while project delivery skills are improving, there remains a significant shortfall in both capacity and capability, against the government's ambitions. So we need to accelerate.

Building project delivery capacity and capability will therefore be a major preoccupation for the IPA over the coming year and beyond.

As part of this, we plan to put in place a new, more rigorous approach to accreditation for government project delivery professionals, linked to external professional standards.

We want this to look at, not just knowledge and skills but also hands on experience, and for senior leaders, track their record of successful delivery.

And we will link this to a structured framework for development, from foundation skills through to mastery, including our highly successful leadership programmes.

We also need to be certain that the market is addressing skills and capability gaps too, driving innovation and productivity improvements and being disciplined when they bid for projects.

We need to invest in skills to help our people embrace technology. We need to work across government and with industry to ensure that further education and apprenticeships are considered as attractive as going to university.

We need to use technology to open the next generation's eyes to the variety of interesting and fascinating jobs that exist in the project delivery profession in government.

We also need to ensure that the project delivery profession is representative of the society we serve; this will enable us to deliver projects reflecting the needs of our diverse society.

We have focused on attracting, developing and retaining project delivery professionals from all backgrounds.

This is reflected in the strong representation of women we now have across the profession, and the encouraging diversity of our early talent programmes.

But we still have more to do to increase female representation at senior grades, although we have more female leaders at that level than elsewhere in the private sector.

And we also need to increase BAME and disability representation across the profession, again particularly at senior levels.

We are working with our champions and members of the profession to target action, for example around selection and development, drawing on the profession diversity data which has become available for the first time this year.

We are also working with others, particularly the professional bodies like the Major Projects Association and Association for Project Management, in supporting academic research on factors impacting gender balance in project delivery.

## **Principles**

We need to get the basics right in government about how we deliver projects.

There are well understood principles for effective delivery, and we need to ensure that they are widely understood and used. For example:

- We need to improve and become more consistent at estimating costs, and develop benchmarking capability.
- We need to clearly identify, then freeze scope and focus much more on quality in the early initiation phase.
- We need to build a better understanding of risk into our programmes, so that we don't get locked into unrealistic point estimates, and use ranges.

As we all know, the success or failure of a project is often determined in its early stages, and it's much harder to turn a project around further down the line.

We need to close the gap between policy and delivery. Successful project initiation takes time and time is generally in short supply.

Government is focused on the deliverability of projects before announcements are made, doing preparatory and exploratory work on how to successfully implement and deliver the project.

If the right initiation work has been done upfront, then announcements can be made with confidence.

As part of this we are also reviewing our approach to assurance.

We want to be more agile, increase our expertise and focus on the outcomes of programmes to ensure that the assurance we're giving across government gives programmes and departments what they need.

We need to be clear about what good looks like; the principles and standards that underpin successful programmes, recognising the complex environment government operates in.

The [Government Functional Standard for Project Delivery](#), published in 2018, sets out the basics.

Building on that, we will establish clear principles for successful project delivery, and progressively, update and consolidate our guidance and tools. This will create a coherent body of knowledge aligned to the standard, for government project professionals, delivery bodies, and suppliers to draw on.

## **Performance**

We know that the current picture of performance as a whole is not good enough.

We know we have significant issues with planning, scheduling, and costings across major projects. However, this picture isn't uniform.

There is excellent practice out there, such as Network Rail's Modular Stations Programme, the use of real time technology at Bank Station or the use of standardised bridges and smart motorways by Highways England.

And we are responding to challenges and implementing lessons learned.

For example, we've worked across Government to identify and implement key lessons from [transport for the sponsorship of major projects in a published report](#).

We have developed [Transforming Infrastructure Performance \(TIP\)](#). An ambitious and long-term transformation programme that seeks to address the fundamental and interrelated challenges facing UK infrastructure and construction.

The programme prioritises investment in the right projects, improving productivity in delivery and maximising the overall benefits of infrastructure investment. It rightly challenges deliverability and performance.

It is about considering infrastructure and construction as a 'whole system' built up of projects, assets and networks of infrastructure and working through together to create a consistent and balanced pipeline for the future.

## **Conclusion**

Delivering all major projects is a challenge.

That is why we need to be fit for the future, we need to level up in project management, in our people, in the skills available and in all regions of the uk.

We need to fix the system.

These are all problems we know well and the industry has been discussing for many years. But now is the time to take bolder action if we are to deliver the infrastructure revolution the public needs.

In the IPA we are focusing on creating a step change in the delivery and performance of infrastructure, closing the sector's well-known productivity gap, and encouraging strategic investment.

We have support for this agenda, right from the top of government so I am optimistic about the future for project and infrastructure delivery in the UK.

But we have work to do.

Thank you.