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Lessons from major projects and programmes

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to the report*

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The Committee of Public Accounts

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Summary

This Committee has examined numerous major projects and programmes delivered by government including, for example, High Speed Two, the Emergency Services Network, and Universal Credit. We see many of the same difficulties time and time again—such as programmes not keeping to cost or schedule, a lack of transparency in their progress, and weaknesses in leadership and governance. Through the 2020 Spending Review and the National Infrastructure Strategy, the Government has committed to a large programme of infrastructure investment, with £600 billion of gross public investment planned for the next five years. This is accompanied by efforts to accelerate the delivery of major programmes, and better target investment to support the levelling up agenda and achieving net zero.

We want to see lasting improvements made to the way in which government delivers major projects, and do not want to see past problems repeated. The Infrastructure and Projects Authority (IPA) is government's centre of expertise for major project delivery. We are supportive of the IPA's plans and welcome its work to strengthen assurance and capability within government. However, we remain concerned as to whether the IPA will be able to make use of its authority and influence to drive the change required throughout government.

This report makes recommendations to the IPA and Government more widely, setting out the areas we think Government should address to improve project delivery. In particular, we want to see a better focus on managing cost and schedule appropriately, improvements in the leadership and transparency of major programmes. The IPA must ensure its oversight of the Government Major projects Portfolio is sufficiently robust to improve the delivery of government programmes in practice.

Introduction

The government's major projects and programmes range from transport infrastructure, military capability and nuclear projects, information technology (IT) and digital programmes through to ones to improve school or government buildings. The Government Major Projects Portfolio (GMPP), which includes government's largest most innovative and most risky programmes, currently includes 125 major programmes at a combined whole-life cost of £448 billion. Many programmes combine bespoke features and new technology, and aim to be transformational, whether that is transforming services, communities or departmental systems. These factors, along with the scale of government major programmes and the impacts they have on affected communities, create challenges in their delivery. Government must successfully overcome these challenges in order to best secure public value from the significant amounts it invests in major programmes.

The Infrastructure and Projects Authority (IPA) is the government's centre of expertise for infrastructure and major projects. The IPA provides expert project delivery advice, support and assurance to government departments, and works with industry to ensure that projects are delivered efficiently and effectively, and to improve performance over time. It leads the project delivery and project finance profession across government, and the embedding of lessons learned. It also oversees the GMPP which aims to improve the delivery of the government's biggest and riskiest projects by increasing transparency and providing independent assurance, with recommendations which Departments must act upon for programmes to progress further.

Conclusions and recommendations

1. **We are concerned about the value for money risks resulting from the significant increase in investment, speed of delivery and changes to how government makes investment decisions.** The March 2020 budget set out an ambitious plan for £600 billion of gross public investment over the next five years. Government's commitment to reach net zero carbon emissions by 2050 will add to further challenges in meeting these commitments. This Committee questioned the capacity of both government and the private sector to deliver large increases in activity efficiently and effectively. The IPA tells us it assessed the condition of the supply chain and considers it will be able to meet the levels of planned activity, provided that there are stable long-term plans. The IPA is likewise optimistic about government's Project Speed initiatives to accelerate and simplify areas of major project delivery, such as through reforms to planning and the use of modern construction techniques. Government has also made changes to its Green Book guidance on evaluating investment proposals, such as removing the dominance of benefit-cost ratios in project appraisal and introducing a new public value framework. If not managed carefully, the benefits of proper scrutiny and development of programmes could become lost in a rush to deliver, and spending decisions could be made without sufficient demonstration of their value.

Recommendation: *Within six months, HM Treasury must write to us setting out how it has assured itself that the public and private sectors have the capacity to deliver on its investment commitments, and how it intends to make rigorous investment decisions in future, in particular, through its commitment to public value statements and amendments to the Green Book.*

2. **We are concerned about the continued lack of transparency to Parliament about the progress of government projects.** This Committee has examined many programmes where issues were emerging for some time that only became public knowledge much later. For example, the Committee was kept in the dark for over a year before being told about the difficulties on the High Speed Two programme, and the programme now reports to Parliament half-yearly as a result of our work. The IPA agrees that creating a culture of openness and transparency is critical to effective project delivery. However, data on individual programmes can be poor, and there can be trade-offs to manage between commercial confidentiality and public transparency. Departmental processes for publishing information, such as in annual reports, may be delayed and/or inconsistent with information presented elsewhere in government. While the IPA states that it has good quarterly reporting in the GMPP and in its annual report, there is a time lag between the reported data and what's happening on a project. As a result, we question whether this is useful for helping Parliament or the public to understand how major projects are progressing. The NIC told us that GMPP project business cases, outturn costs and schedules and other long-term evaluations will now be published from April 2021, which we welcome.

Recommendation: *HM Treasury and Cabinet Office must set out what they are doing to make sure that information on the progress of major projects is transparent and reported to Parliament in a more timely manner, particularly*

for those projects that are nationally important. They should also set out what they are doing to make sure that all Accounting Officers comply with the rules around making assessments of major projects (against the criteria of propriety, regularity, feasibility and VFM) and to publish summaries of this advice on a timely basis. The Committee reminds all AOs of their duties to make assessments of major projects and to publish summaries of this advice on a timely basis.

3. **We welcome the IPA's plans to strengthen how it assures government's major projects and the recent clarification of its roles and responsibilities, but it remains to be seen whether the IPA will be able to effectively ensure those delivering projects make the level of improvement required.** In the past, we have raised concerns that the IPA is not sufficiently independent of government to confidently challenge it, being both a champion of government project delivery as well as being responsible for assuring it. The IPA recognises that while its gateway review process for assuring projects at key decision points is good, it has not always been applied with the rigour needed. Programmes with significant issues have proceeded through Gateways even when they were rated as amber/red. It is now resetting its assurance of the GMPP, to ensure that departments address issues identified at gateway reviews before a programme can proceed, and points to having already made meaningful impact on the Lower Thames Crossing programme. The IPA is working to have a systemic view of what impact it has on programme performance, though it also told us that it was implementing a system to do this when we spoke to them in 2016. We note that government has reinforced IPA's mandate, alongside clarifying what the responsibilities of departments are in acting on the IPA's recommendations.

Recommendation: Within six months IPA must write to us setting out the changes it has made to its assurance of major programmes in its reset, and how this will improve project delivery. It should also set out what action it took in relation to those projects on the GMPP currently rated as red/red-amber, and what the result has been. The Cabinet Office and HM Treasury should also write to us detailing the actions taken to ensure that Departments act on the IPA's recommendations.

4. **There is scope for a more mature approach to setting and monitoring cost and schedule estimates by using ranges which narrow over time.** The UK government has some of the most novel and complex programmes in the world. The issues that major programmes face are not unique to the public sector, with research indicating that around 75% of major programmes exceed their intended cost and schedule, including those in the private sector. Nonetheless, there are practices in the private sector that the public sector could learn from, such as there being more front-end development of a programme to define its scope, and on getting cost and schedule estimates right before committing to them. The IPA and the National Infrastructure Commission say that they are working to improve the quality of cost estimates across government, and the understanding of what a good estimate looks like. Programmes should make greater use of cost and schedule ranges to reflect the high degree of uncertainty at early stages, with the expectation that these ranges would narrow as the programme is developed further.

Recommendation: *The IPA should encourage and support departments to use ranges for cost and schedules estimates, rather than single point numbers, and write to us setting out how it is scrutinising and improving cost and schedule estimates on major programmes.*

5. **The calibre and number of people in leadership positions in major projects is still not strong enough.** Skills and leadership remain a persistent problem in delivering major projects, particularly in getting the appropriate mix of skills across areas such as civil engineering and digital systems. While the tenure of Senior Responsible Owners (SROs) has improved slightly in recent years, SROs still typically manage four or five different projects and so do not get the time to manage them effectively. Matching up an SRO's skills with the stage a programme is at is also important. The IPA set up the Major Projects Leadership Academy to train SROs and has begun to offer this training to Ministers with responsibility for major programmes. It is looking to build on this work with a Major Projects Academy which is intended to support training and accreditation for the wider project delivery profession across government. This Committee previously recommended that Permanent Secretaries and other civil servants attend the Major Projects Leadership Academy, but it is clear that more work remains to improve the calibre of leadership for major projects.

Recommendation: *All SROs and people who work in the project delivery profession should attend IPA's major projects leadership academy. Cabinet Office and HM Treasury should make sure all departments comply, including ensuring that all SROs have sufficient skills and time to be able to undertake their responsibilities. They should write to us to explain how they have assured themselves that this is happening. The IPA should update us in six months about how many people and in which positions, have been accredited and across which departments. It should also explain how it plans to roll out its training to the government project delivery profession as a whole, and whether the government now has, in its opinion, enough SROs to manage the number and scale of projects promised.*

6. **It is vital that Parliament's own major project, the Restoration and Renewal programme, is an exemplar of an open and transparent project which welcomes scrutiny.** The restoration and renewal of the Palace of Westminster is a highly complex programme with a number of uncertainties that underpin it, including the condition of the building, interdependencies with other Parliamentary building projects, and the lack of consensus over the scope of the programme and how to relocate staff. Since the programme and the body overseeing it are Parliamentary, the programme does not fall within the GMPP and the IPA's formal remit, though it has offered advice informally on the programme when invited to. Given the complexity and difficulty of the programme, it would benefit from all available expertise on major programmes and from the additional transparency that could be brought from the IPA reporting on the programme.

Recommendation: *The government and Parliament should work together to establish a framework for how the IPA will scrutinise and assure the R&R project.*

1 Major programme delivery

1. On the basis of a report by the Comptroller and Auditor General, we took evidence from the Infrastructure and Projects Authority (the IPA) about the delivery and assurance of government major programmes.¹

2. The Infrastructure and Projects Authority (IPA) is the government's centre of expertise for infrastructure and major projects. The IPA provides expert project delivery advice, support and assurance to government departments, and works with industry to ensure that projects are delivered efficiently and effectively, and to improve performance over time. It leads the project delivery and project finance profession across government, and the embedding of lessons learned, such as those in their Lessons from Transport for the Sponsorship of Major Projects (produced jointly with the Department for Transport). It also provides assurance and reporting over the Government Major Projects Portfolio (GMPP), which includes government's largest, most innovative, and most risky projects, currently comprising 125 major projects with a combined whole-life cost of £448 billion.²

3. Government major projects and programmes range from transport infrastructure, military capability and nuclear projects, information technology (IT) and digital programmes through to ones to improve school or government buildings. Many programmes combine bespoke features and new technology and aim to transform services, communities or departmental systems. These factors, along with the scale of government major programmes and the impacts they have on affected communities, create challenges in their delivery.³

4. The government chooses which programmes to invest in; how they are set-up, their scope, objectives, budget and timescale. The choices it makes, particularly around the scale and scope of major programmes, and how they affect local communities, can create complexities in how programmes need to be delivered. In addition, there are some programmes that government has little choice over doing which are inherently complex, for example overhauling outdated government IT systems.⁴

5. In order to secure best value from the significant amounts of public money the government has committed, it is crucial that government can successfully navigate the challenges of delivering its major programmes. However, we frequently see government programmes that have encountered difficulties. We see programmes that are taking longer and costing more than planned, and where there are risks to them achieving the intended aims. These cases often have significant and high-profile consequences for the public purse and for those depending on the delivery of these projects.

Infrastructure Investment, Project Speed and the Green Book

6. Government has set out an ambitious plan for future infrastructure investment, of which major projects will be a part. The March 2020 budget set out an ambitious plan for over £600 billion of gross capital investment over the next five years.⁵ The Spending Review

1 Comptroller and Auditor General, Lessons Learned from Major Programmes, Session 2019–21, HC 960, November 2020

2 C&AG's Report, para 1 and 11

3 C&AG's Report, paras 1–2

4 C&AG's Report, paras 2

5 HM Treasury, Budget 2020, March 2020, p3

2020, alongside which the National Infrastructure Strategy was published, detailed plans for £100 billion of capital expenditure in 2021–22, a £27 billion real terms increase from 2019–20.⁶ Plans include investment in transport, research and development, and other economic infrastructure such as broadband.⁷

7. We asked about the capacity of both government and the private sector to deliver large increases in activity efficiently and effectively. The Government’s commitment to reach net zero carbon emissions by 2050 will add further challenges to meeting these commitments.⁸ The IPA told us that it sees the government’s plans as ambitious but achievable. It has assessed the supply chain and, provided that there are stable long-term plans, it believes industry will invest in the capabilities needed to meet the level of activity planned.⁹ The National Infrastructure Commission (NIC) agreed in its written submission to us.¹⁰

8. The NIC stated that new economic infrastructure must take a cross-sectoral, evidence-based and long-term perspective.¹¹ It said that this should increase the likelihood that the strategic case will remain relevant and persuasive as time goes on, which is likely to make it easier for delivery bodies to match the scope of the project with its strategic objectives. It told us that in the course of the work on the NIC’s review of Rail Needs Assessment for the North and the Midlands, it has seen a number of examples of the issues the NAO identified occurring with major rail projects, such as significant changes in scope during a project without sufficient review of the objectives and plans, and not considering operations at an early enough stage.¹²

9. Within the National Infrastructure Strategy, the government also announced the initiatives that had come out of Project Speed, which it set up over the summer to review the infrastructure project life cycle and identify where improvements could be made in delivering them faster. These initiatives include measures such as reforms to the planning system and environmental regulations, streamline approval processes, and transforming the construction sector through better use of data and modern construction techniques.¹³ We were concerned that accelerating programmes could hinder the proper scrutiny and development of major projects. The IPA was optimistic about these initiatives, and told us that Project Speed had brought a focus to the duration of certain processes, and was not an excuse to go too fast in delivering programmes. For example, it pointed to variations in the time projects take to achieve their approvals, with some projects achieving approvals in half the time of others, even under existing legislation.¹⁴

10. Government has also made changes to its Green Book guidance on evaluating investment proposals, such as reducing the dominance of benefit-cost ratios (BCRs) in project appraisal and introducing a new public value framework.¹⁵ The IPA stated that being fixated on the BCR in the past has tended to lead to investment concentrating in London and the South of England at the expense of other areas, and that if one wishes

6 HM Treasury, Spending Review 2020, November 2020, para 2

7 HM Treasury, National Infrastructure Strategy, November 2020

8 Qq 8–9

9 Qq 12–13

10 National Infrastructure Commission submission, page 2

11 National Infrastructure Commission submission, page 1

12 National Infrastructure Commission, Rail Needs Assessment for the Midlands and the North, December 2020

13 Q 72; HM Treasury, National Infrastructure Strategy, November 2020, p 78–79

14 Q 72

15 Q 82; HM Treasury, National Infrastructure Strategy, November 2020, p 44

to achieve levelling up across the country then a broader lens is needed. It stated that the public value framework will be published by government in December, and that this will give clarity and metrics to Departments which they and the IPA can use to test if they are on track against their strategies and targets.¹⁶ However, were the published framework to be vague about the expected outcomes and measures of performance, then the IPA would share the Committee's concerns about the potential for investment decisions to be made without sufficient demonstration of their value.¹⁷

Cost and schedule

11. In discussing the historic performance on managing major programmes and the challenges they have faced, the IPA stated that the UK government has some of the most novel and complex programmes in the world, that are probably more complex than many encountered in the private sector. Programmes in both sectors face challenges—the IPA stated that a number of studies have suggested that around 75% of major programmes in the private and public sectors, overspend or are delivered late.¹⁸ Nonetheless, the IPA stated that there were practices in the private sector that the public sector could learn from. This included there being more front-end development of programmes at the beginning, focusing on getting the business case and cost estimates to a level of accuracy that stakeholders can approve with more confidence. The IPA stated that government tends to keep options open for too long and should be more decisive about the outcome and intent that a programme is delivering and make choices on scope as early as practically possible.¹⁹

12. The NIC agreed, stating that when building infrastructure, government needs to spend sufficient time at the start deciding on the exact outcomes it wants and the ways those outcomes can be best achieved. This involves rigorous option appraisal and, critically, meaningful engagement with the public and stakeholders to understand key issues and concerns. Once the best option has been selected, government should commit to a project's scope, essential if it wants to stick to a project's cost forecast and delivery timeline.²⁰

13. The IPA stated that it is working with government to improve the quality of cost estimation and is currently working on a standard for developing guidance on cost estimating. It has also set up a cross-departmental cost estimating community to share best practice.²¹ The NIC told us that the Government's National Infrastructure Strategy promises to establish a cost benchmarking tool, and a separate requirement for all major infrastructure projects to publish cost and performance data at three key stages of their lifecycle.²²

14. The IPA and NIC stated that programmes should provide a reasonable range of outcomes for likely costs and schedule that reflects the level of uncertainty in a programme.²³ The Comptroller and Auditor General has also recommended the use of

16 Q 82

17 Q 85

18 Q 3

19 Q 5

20 National Infrastructure Commission submission, page 2–3

21 Q 22

22 National Infrastructure Commission submission, page 2

23 Q 21; National Infrastructure Commission submission, page 2

ranges.²⁴ Ranges will necessarily be large at the early strategic outline business case stage, and as a programme goes forward, should narrow as more becomes known. The NIC said that its Rail Needs Assessment uses its latest best practice on using ranges for cost estimates. The IPA stated that as a programme goes towards the outline business case stage it expects that ranges will narrow down to plus or minus 25 to 30% and would like to see cost estimates with an accuracy of plus or minus 10% by the final business case stage.²⁵

Skills and Leadership

15. Skills and leadership remain a persistent problem in delivering major projects. Our report on specialist skills in the civil service concluded that skills shortages were responsible for delays, inefficiencies and increased costs in government projects, with the lack of skills in the Home Office partly responsible for the 3-year delay to the Emergency Services Network programme.²⁶ The IPA also stated that government has not got the right level of skills and experience to deliver some of its difficult and complex projects.²⁷ The civil service struggles to attract and retain specialised staff, and the turnover of programme Senior Responsible Owners (SROs) has been an issue which has impacted performance.²⁸ The IPA stated that this has improved slightly in recent years, with tenure in role moving from an average three years to over four and a half years, and it is currently examining whether competency-based pay mechanisms could be introduced to reward good SROs and encourage them to stay within their roles.²⁹

16. However, the IPA stated that many SROs manage more than one programme, and typically have four or five, which means they are “not being afforded the time in role to do the necessary work.”³⁰ The IPA said that government needed to recruit 25 to 35 more senior responsible owners with the requisite expertise and deploy them to critical programmes. Getting the right skills at the right time can also be a challenge; for instance, skills relevant to a civil engineering stage of a programme may be less needed when the programme enters its systems integration phase.³¹

17. The IPA told us that, to remedy this issue, in addition to making attendance at the Major Projects Leadership Academy mandatory for SROs, the IPA aims to give them an assessment and an accreditation to ensure that they have the necessary skills for their roles. This is in addition to introducing the Government Projects Academy next year, which is aimed at improving project delivery skills for professionals across government.³²

24 Comptroller and Auditor General, *Lessons learned from major programmes*, paragraph 20, National Audit Office, HC 960 Session 2019–21; Comptroller and Auditor General, *Palace of Westminster Restoration and Renewal*, paragraph 13, National Audit Office, HC 315, Session 2019–21; Comptroller and Auditor General, *High Speed 2: A progress update*, paragraph 29, National Audit Office, HC40, Session 2019–20.

25 Q 22

26 Committee of Public Accounts, *Specialist Skills in the civil service*, HC 686, December 2020, Conclusions and recommendations, para 1

27 Q 49

28 Committee of Public Accounts, *Specialist Skills in the civil service*, HC 686, December 2020, Conclusions and recommendations, para 2

29 Q 34

30 Qq 34, 49

31 Q 49

32 Qq 14 49

2 Major projects assurance

Transparency

18. This Committee has examined many government programmes where problems had arisen and were known by those within the programme for some time, but the issues only became public knowledge much later. For example, the Committee was kept in the dark for over a year before being told about the difficulties on the High Speed Two programme, and the programme now reports half-yearly as a result of our work.³³ Nonetheless it remains challenging to hold government to account for its delivery of programmes - the Comptroller and Auditor General's report notes that the pressures organisations are under can make them defensive about a programme or allow a "good news culture" to develop.³⁴

19. The IPA agreed that creating a culture of transparency and openness are the foundations of effective project delivery. It promotes these values within its principles of project success, namely "Prioritise people and behaviour" and "Tell it like it is".³⁵ It used Crossrail as an example, where people at the working level understood the lack of progress with systems integration, but this information did not get passed upwards in the organisation. Creating trust within organisations requires leadership; leaders must be willing to hear bad news in order to instil the right behaviours in their teams.³⁶

20. Projects need good data to appropriately track programme performance, but the underlying data which communicates progress can be poor. The Comptroller and Auditor General's report refers to multiple estimates and numbers being in use within Departments and insufficient or out of date evidence supporting reporting.³⁷ As we noted recently in our report on EU Exit, Departmental processes for publishing information can also be delayed, or inconsistent with other information presented by government.³⁸ There can also be trade-offs to manage between commercial confidentiality and public transparency in reporting cost and schedule performance.³⁹

21. The IPA stated that releasing all data at the detailed level would cause issues within the supply chain. It argued that it does not release its own assurance reviews so that it can have effective and candid discussions with programme leaders, which would be undermined if the reviews were made public.⁴⁰ Nonetheless, it agreed that overarching data on programmes should be available and pointed to the GMPP performance data that is released quarterly and annually alongside the IPA's annual report. The NIC also told us that government plans to publish business cases, outturn costs and schedules and other long-term evaluations of projects on the GMPP from April 2021, which we welcome.⁴¹

33 Q 49

34 C&AG's Report, para 48

35 Q 37

36 Q 55

37 C&AG's Report, para 46

38 Committee of Public Accounts, *Whitehall preparations for EU Exit*, HC 682, 2 December 2020, Conclusions and recommendations, para 6

39 Q 39

40 Qq 39, 45

41 National Infrastructure Commission submission, page 2

However, GMPP data is a snapshot at a point in time and we have reported in the past how the publication of this data months in arrears means there is a lag between the reported data and what is actually happening on a project.⁴²

The Infrastructure and Projects Authority's Assurance

22. The IPA provides a range of assurance and support services to major programmes, with one of its key activities being gateway reviews of programmes at key decision points, such as each approval stage of the Business Case. Major programmes typically join the GMPP as they approach the strategic outline business case stage and leave the GMPP when they have delivered their benefits and are considered complete.⁴³ In the past, this Committee has raised concerns that the IPA is not sufficiently independent of government to confidently challenge it. The IPA arose from the merger of the Major Projects Authority, which provided independent assurance, and Infrastructure UK, which promoted the development of infrastructure, and we stated that the conflict between these roles risked compromising its effectiveness. At the time, the IPA argued that the merger of the two bodies would have benefits such as bringing new expertise and increasing the level of support and intervention it could provide to projects.⁴⁴

23. The IPA considers that while its gateway review process is good, government has not always applied it with the rigour needed.⁴⁵ This has meant that programmes with significant issues have proceeded through Gateways even when they were given a delivery confidence assessment rating of amber or red. The IPA is now resetting its assurance of the GMPP, to ensure that departments address issues identified at gateway reviews before a programme can proceed. Assurance will now be risk-based assessments, rather than assessments being a judgement-based opinion based on reviewers' experience. The intention is to ensure that projects not ready to proceed to the next gateway do not receive further funding until they taken action to resolve the issues they face, and for the assurance process to ensure that these actions have been taken.⁴⁶ The IPA stated that government has reinforced its mandate, alongside a clarification of what the responsibilities of Departments are in acting on the IPA's recommendations.⁴⁷

24. The IPA pointed to the Lower Thames Crossing as a recent example of where it has made meaningful impact on a programme's delivery. It stated that the programme had an ambitious schedule and was larger than any other scheme that Highways England had taken on before. The IPA refused to give support to the outline business case, advising that its delivery schedule was unachievable and that it needed to revisit its cost, as well as strengthen its governance model. The IPA said that Highways England revisited its plans for the programme and subsequently addressed all the key elements that the IPA had highlighted.⁴⁸

42 Committee of Public Accounts, *Delivering major projects*, Thirty-first Report of Session 2015–16, HC 710, March 2016, Conclusions and recommendations, para 2

43 Q 4

44 Committee of Public Accounts, *Delivering major projects*, Thirty-first Report of Session 2015–16, HC 710, March 2016, Conclusions and recommendations, para 2

45 Qq 5, 10

46 Q 10

47 Letter from Infrastructure and Projects Authority to Committee dated 6 January 2021

48 Q 16

25. We noted that the number of projects rated as red has increased from four to eleven in the IPA's most recent annual report and questioned the IPA on how we should measure its success going forward.⁴⁹ The IPA stated that one would expect to see more issues being raised in a more robust assurance regime, and if a programme was badly developed in the past it is not necessarily possible for the assurance regime to bring it fully back on track. The IPA stated that its performance should be measured more systemically and that there will be a number of elements needed to improve overall system delivery.⁵⁰

26. The IPA told us that it is looking to introduce metrics to help it understand whether it is making a material difference to projects passing through stage gates, and what impact it is having on programmes that are underway.⁵¹ The IPA also told us it has in place a "get to green" programme to be clear about the fundamental elements needed for teams to give programmes a green rating at the next stage gate.⁵² The IPA said it wished to make sure that it is impactful on new programmes joining the GMPP, whilst recognising that improvement will be a slower process for those already on it. We noted, however, that when we last spoke to the IPA in 2016, it told us that a system was in development then to measure the impact it was having on programme performance.⁵³

Restoration and Renewal of the Palace of Westminster

27. Since the IPA's remit covers the government major programmes portfolio, it does not extend to the restoration and renewal of the Houses of Parliament, or the associated Northern Estates programme.⁵⁴ The Restoration and Renewal programme is overseen by a Sponsor body and a Delivery authority, both of which are ultimately accountable to Parliament, and the IPA were not given a role in The Parliamentary Buildings (Restoration and Renewal) Act 2019 (the Act) which set out how the Programme would be managed. The programme is highly complex with a number of uncertainties that underpin it, including the condition of the building, its interdependencies with other Parliamentary building projects, and the lack of consensus over the scope of the programme, and how to relocate staff as the programme is underway.⁵⁵

28. Whilst the IPA has provided support and advice in an advisory capacity to the programme, it does not currently fall within the IPA's formal remit. The IPA was engaged in implementing the recommendations of the Joint Committee report on the Palace of Westminster of September 2016, and did support the Cabinet Office in preparing the Act, which set up the Sponsor Board and Delivery Authority, after which the IPA ceased to have formal involvement with the project.⁵⁶ The IPA has provided further advice when invited to, such as in March 2020, when asked by the Cabinet Office to give advice concerning the status of the project. At this time, the IPA they confirmed that the rationale for the programme is clear, and that since the programme did not have an agreed scope, budget or programme at the strategic level and is therefore subject to considerable challenges

49 Q 65

50 Qq 65, 66

51 Q 66

52 Q 65

53 Committee of Public Accounts, *Oral Evidence: Delivering Major Projects in government*, HC 710, January 2016, Qq 83–89

54 Q 27

55 Committee of Public Accounts, *Restoration and Renewal of the Palace of Westminster*, Nineteenth report of Session 2019–21, HC 549, 2 October 2020, Summary

56 Q 17; Letter from Infrastructure and Projects Authority dated 14 December 2020, page 1

to prepare a deliverable Outline Business Case.⁵⁷ The IPA told us that it approved of the recent pause to review the programme, for the programme to refine the boundaries of how it will be delivered and what the optimum minimum scope will be.⁵⁸

29. When asked, the IPA stated that it could not see a reason why it could not provide further assurance over the programme, if asked to by Parliament.⁵⁹ When we reported on the programme in October 2020, we welcomed the decision of the Sponsor body to engage with the IPA and were keen that it continued to proactively seek the IPA's advice.⁶⁰

57 Letter from Infrastructure and Projects Authority dated 14 December 2020, page 1

58 Q 19

59 Qq 54, 55

60 Committee of Public Accounts, *Restoration and Renewal of the Palace of Westminster*, Nineteenth report of Session 2019–21, HC 549, 2 October 2020, Conclusions and recommendations para 4

Formal minutes

Thursday 21 January 2021

Virtual meeting

Members present:

Meg Hillier, in the Chair

Sir Geoffrey Clifton-Brown

Sir Bernard Jenkin

Peter Grant

Draft Report (*Lessons from major projects and programmes*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 29 read and agreed to.

Summary agreed to.

Introduction agreed to.

Conclusions and recommendations agreed to.

Resolved, That the Report be the Thirty-ninth of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Monday 25 January at 1:45pm]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Monday 30 November 2020

Nick Smallwood, Chief Executive Officer, Infrastructure and Projects Authority;
Matthew Vickerstaff, Deputy CEO, Infrastructure and Projects Authority

[Q1–86](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

LMP numbers are generated by the evidence processing system and so may not be complete.

- 1 Mr William Beddington ([LMP0001](#))
- 2 Mr Jag Patel ([LMP0002](#))
- 3 Association for Project Management ([LMP0003](#))
- 4 'Project X' ([LMP0004](#))
- 5 Mineral Products Association ([LMP0005](#))
- 6 IFM Investors ([LMP0006](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the publications page of the [Committee's website](#).

Session 2019–21

Number	Title	Reference
1st	Support for children with special educational needs and disabilities	HC 85
2nd	Defence Nuclear Infrastructure	HC 86
3rd	High Speed 2: Spring 2020 Update	HC 84
4th	EU Exit: Get ready for Brexit Campaign	HC 131
5th	University technical colleges	HC 87
6th	Excess votes 2018–19	HC 243
7th	Gambling regulation: problem gambling and protecting vulnerable people	HC 134
8th	NHS capital expenditure and financial management	HC 344
9th	Water supply and demand management	HC 378
10th	Defence capability and the Equipment Plan	HC 247
11th	Local authority investment in commercial property	HC 312
12th	Management of tax reliefs	HC 379
13th	Whole of Government Response to COVID-19	HC 404
14th	Readying the NHS and social care for the COVID-19 peak	HC 405
15th	Improving the prison estate	HC 244
16th	Progress in remediating dangerous cladding	HC 406
17th	Immigration enforcement	HC 407
18th	NHS nursing workforce	HC 408
19th	Restoration and renewal of the Palace of Westminster	HC 549
20th	Tackling the tax gap	HC 650
21st	Government support for UK exporters	HC 679
22nd	Digital transformation in the NHS	HC 680
23rd	Delivering carrier strike	HC 684
24th	Selecting towns for the Towns Fund	HC 651
25th	Asylum accommodation and support transformation programme	HC 683
26th	Department of Work and Pensions Accounts 2019–20	HC 681
27th	Covid-19: Supply of ventilators	HC 685

Number	Title	Reference
28th	The Nuclear Decommissioning Authority's management of the Magnox contract	HC 653
29th	Whitehall preparations for EU Exit	HC 682
30th	The production and distribution of cash	HC 654
31st	Starter Homes	HC 88
32nd	Specialist Skills in the civil service	HC 686
33rd	Covid-19: Bounce Back Loan Scheme	HC 687
34th	Covid-19: Support for jobs	HC 920
35th	Improving Broadband	HC 688
36th	HMRC performance 2019–20	HC 690
37th	Whole of Government Accounts 2018–19	HC 655
38th	Managing colleges' financial sustainability	HC 692