



Glasgow City Council

Finance and Audit Scrutiny Committee

Report by: Head of Audit and Inspection

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George Square Redevelopment – Lessons Learned

Purpose of Report:

The purpose of this report is to advise Members of the outcome of a 'Lessons Learned' review following completion of Phase 1 of the George Square redevelopment.

Recommendation:

The Committee is asked to note the contents of the report.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes No consulted: Yes No

George Square Redevelopment – Lessons Learned

1. Introduction and Background

The purpose of this report is to advise Members of the outcome of a 'Lessons Learned' review following completion of Phase 1 of the George Square redevelopment.

Phase 1 of the George Square redevelopment was managed broadly using Prince2 principles. In line with project management best practice a 'Lessons Learned' review was undertaken following completion of the works. The exercise also fulfilled an Audit Scotland recommendation arising from their report into the George Square contract.

Lessons learned from the review should be applied to any subsequent phases of redevelopment work and to projects of a similar nature.

2. Methodology

The aim of the review was to establish which aspects of the project went well and which could be improved upon.

The review specifically targeted those officers who contributed to the delivery of the project. The review, which was facilitated by the Development and Regeneration Services (DRS) City Centre Regeneration Team, was designed to encourage officers to be open and honest about what went well and what could or should be added to the process.

The review examined the following areas:

- the management and quality processes;
- abnormal events causing deviations from the project plan; and
- an assessment of technical methods and tools used.

Recommendations were made for future enhancement or modification of project management methods.

The results were reviewed by a group of senior officers from DRS, Legal Services, Internal Audit and Corporate Governance. The group, which was chaired by the Executive Director of Corporate Services, also considered any independent observations e.g. those made by Audit Scotland.

An action plan has been drawn up to ensure the aspects which could be improved upon are assigned to specific officers or sections and timescales (where appropriate) will be placed upon their implementation. Wherever possible the actions are clear, specific and measurable.

3. Findings

The review findings are summarised in the attached annex. Table 1 in the annex summarises those parts of the process which went well. Table 2 summarises those parts of the process which could be improved.

4. Implementing the Findings

The 'Lessons Learned' review will only be effective if the recommendations are implemented and although some of them are specific to the George Square project, there are others which will be shared with project sponsors and managers responsible for other capital projects.

Officers from DRS and the Governance Unit will seek to ensure that recommendations common to any capital project are implemented. When carrying out audit reviews of capital projects Internal Audit will look for evidence that the recommendations have been implemented. If the recommendations are not implemented the matter will be reported to members of the Finance & Audit Scrutiny Committee.

5. Recommendation

The Committee is asked to note the contents of the report.

ANNEX; George Square Redevelopment Lessons Learned

Table 1: Processes which went well

ID	Subject	Description
A1	Pre Qualification Questionnaire (PQQ) responses	A healthy number of PQQ expressions of interest and responses were received which indicated positive method of communicating and publicising the Design Contest.
A2	Invitation to Tender debrief letters	Constructive and supportive feedback provided to Bidders which allowed for clarity over the decision making process.
A3	Project coordination and structure	The project had a clear Prince 2 organisational structure with clear lines of communication and responsibility, and all Board and Steering Group minutes were fully recorded as evidenced by the Audit Scotland Report.
A4	OJEU contract notice	Revised OJEU Notice ensured that the correct notification of the design contest was published in accordance with the EU procurement regulations. The correct resources were deployed to remedy the error in the original Notice.
A5	Evaluation criteria	Published evaluation criteria and weightings were clear and objective.
A6	Design contest governance	Anonymity was protected throughout.
A7	Design contest governance	Process resulted in a selected winning design.
A8	Design contest governance	Jury Panel proceedings were fully recorded and minuted to provide an audit trail as required by the design contest procurement rules.
A9	Public engagement	The Council did make the public comments received as part of the public consultation exercise, available to the Design Contestants to inform their submissions.

Table 2: Processes which could be improved.

ID	Subject	Description	Actions for future learning
B1	Procurement strategy	<p>(i) A procurement strategy was not developed in conjunction with Corporate Procurement Unit. Too much reliance was placed on Royal Incorporation of Architects in Scotland (RIAS).</p> <p>(ii) A separate more detailed Business Case should have been prepared including intended aims and benefits of the project, options appraisal, risk assessment and cost, time and scope targets. A fully developed procurement strategy should have been detailed in the Business Case.</p>	<p>(i) Ensure all procurement options are identified and evaluated.</p> <p>(ii) Market and risk analysis to be undertaken to allow benefits and dis-benefits to be explored for each option, and incorporated into the Business Case.</p> <p>(iii) The strategy must demonstrate adaptability to address any specific or unique elements of any project.</p> <p>(iv) New Business Case model is being developed for major projects which will review procurement options.</p>

Continued over

ID	Subject	Description	Actions for future learning
B2	Project strategy: Timescale and risk	(i) Timescales and risks around the project could have been better assessed and understood from the outset given the expectations that the project could be implemented within an 18 month period.	(i) Procurement timescales to be scrutinised against risk factors when business case is being prepared including non-achievement.
B3	Roles and responsibilities	(i) Roles and responsibilities of the Commodity Team could have been better defined which would have improved the management of the relationship with RIAS.	(i) From the setting-up of the Commodity Team, roles and responsibilities should be defined and clarified with that team, incorporating any external appointments as required.
B4	Contract Notice	(i) The incorrect notice was used initially meaning that the OJEU Notice had to be reissued; this was corrected by the publication of a replacement OJEU Notice.	(i) OJEU contract notices, particularly on high profile, complex or specialised procurements, should be jointly reviewed by the client department, CPU and Legal Services working together.
B5	Scoring methodology	(i) The detail of the scoring methodology (i.e. how the jury panel were to award marks to reflect their assessment of the quality of each bid in accordance with the stated evaluation criteria) was not sufficiently determined in advance of publication of tender documentation.	(i) A focused session devoted to finalising the scoring methodology accompanying the evaluation criteria should be held prior to publication of tender documentation.
B6	Design Contest Jury Panel	(i) The role of Jury Panel members must be agreed and communicated earlier.	(i) Guidance and decisions should be notified to relevant parties at an early stage of the project process.
B7	Public engagement	(i) The process for public engagement should have been defined as part of the project strategy.	(i) Where it is reasonable to expect there will be significant public interest in a project, consideration should be given to the appropriateness of holding a focused consultation to determine the appetite for change before any significant resources are committed. (ii) A Stakeholder Engagement Strategy should be created.