



Keeping government's major projects on track

Keynote speech from Matthew Vickerstaff

Better project delivery will improve the outcomes of major projects

In a keynote speech at the Institute for Government, Matthew Vickerstaff, Interim Chief Executive of the Infrastructure and Projects Authority (IPA) and Head of the Government Project Delivery Function, explained what the Infrastructure and Projects Authority and Project Delivery function are doing to improve project delivery in government.

A new context

Introducing the event, Gary Mutch, Director of UK Government Affairs at Oracle, noted that the collapse of Carillion last year has made it imperative for the Government to reconsider how much and what kind of risks it transfers, and how it manages major projects.

We have argued that projects have been undermined when delivery challenges [have been overlooked](#), but there are encouraging signs that the Cabinet Office is working to improve the way the Government manages risk in major projects and [outsourcing](#).

Project delivery has improved

Vickerstaff argued that the Government has made progress in improving project delivery – from setting up the [Major Projects Leadership Academy](#) to train senior civil

servants, to creating the [National Infrastructure and Construction Pipeline](#) to improve infrastructure planning.

But he acknowledged that to become “the best performing project delivery system in the world” the Government still has to improve the system for project delivery – the way it manages all projects – not just the way it delivers individual projects.

Working collaboratively to meet challenges

With the Government currently delivering projects worth over £450 billion, one critical challenge will be how well departments join up to manage projects – a core role of the project delivery function.

Vickerstaff argued that two major challenges are forcing government departments to join up: Brexit and the Spending Review.

The sheer volume and complexity of Brexit projects has forced the Government to join up departments and specialisms. To date, the Infrastructure and Projects Authority – the Government’s centre of expertise for infrastructure and major projects – has rated 50 projects for no deal preparation.

The 2019 Spending Review, in which the Government will set out its spending plans for the next three years, presents another key challenge for project delivery in government. Planning in previous spending reviews [has not always been robust](#), due to a lack of independent scrutiny to counter over-optimism about the cost, time, and difficulty of delivering transformative projects.

The Infrastructure and Projects Authority and Project Delivery specialism, under the instruction of the Chancellor, are working to ensure there is [a focus on deliverability](#) in the upcoming Spending Review, aiming to create cultural change across the civil service.

Learning from recent projects

Vickerstaff drew five key lessons from recent projects, concluding that culture matters more than specific processes, and the Government must pay more attention to integration – getting different organisations working on different parts of projects to work together. As projects become more dependent on complex new technologies – such as the three [signalling systems](#) involved in the Crossrail route – managing integration will be critical to deliver successful projects.

Vickerstaff also acknowledged that optimism bias remains a problem for government projects. The Infrastructure and Projects Authority is making more use of performance benchmarks which should help departments set more realistic cost estimates, [as we have called for before](#).

Ultimately, there is no single solution. Recent projects – from cost escalations on the [High Speed 2](#) and delay in opening the [Crossrail](#) rail lines – highlight the need to focus

on project delivery basics and embed key lessons back into the system.

Improving the system

Vickerstaff argued that improving project delivery will require making four system-wide changes: improving prioritisation, initiation, accountability, and capability.

Lack of prioritisation remains a problem. John Manzoni, Chief Executive of the Civil Service, reiterated this when he said that the civil service “still does too much to do it well” [at the Institute](#) earlier this year. The Government must first choose the right projects and “constantly think about whether it’s doing too much”.

Vickerstaff also argued that the Government must also bring policy and delivery closer together in order to cross the ‘[valley of death](#)’ between policy initiation and delivery, where major projects have often failed to set realistic objectives, time, and cost schedules at the start.

To improve accountability in project delivery, the Infrastructure and Projects Authority will build on their [annual report](#) on government major projects by transparently measuring and reporting project performance and sharing lessons with departments.

However, the Infrastructure and Projects Authority has decided not to publish public RAG ratings for its assessment of no deal Brexit preparations. This decision fits into a wider pattern of government reluctance to provide updates on [no deal preparations](#) – making it impossible for MPs to [make an informed choice](#) about whether the UK is prepared to leave without a deal.

Fourth, to improve capability, the Government must get “the right people working on the right projects”. Since its creation, over 1,000 project leaders have gone through the Major Projects Leadership Academy or Project Leadership Programme, and project delivery is now the third most popular career path in the Civil Service Fast Stream. But there is still more to do to ensure that junior project delivery staff are well supported. One way to do this will be improving the Project Delivery Academy.

This event was part of a series sponsored by Oracle: to find out more about future events in the series, please visit the [Institute for Government’s website](#).

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