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INDEPENDENT PROJECT REVIEW

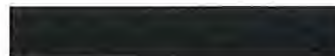
Transport Scotland

Ardrossan Harbour Redevelopment

Carried out by:

**MacWilliams Consulting
Limited**

Commissioned by:



Date:

29th April 2019

Programme:	Ardrossan Harbour Redevelopment		
Report Owner:	[REDACTED]		
Review Dates:	15 th to 17 th April 2019		
Report Version	Final		
Date First Draft Issued	19 th April 2019		
Date Final Version Issued	29 th April 2019		
Review Team	[REDACTED]	MacWilliams Consulting Limited MacWilliams Consulting Limited Transport Scotland	
Likelihood of successful delivery	MEDIUM		
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AUTHORISATION	[REDACTED]		

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	Contents:	Page
1.	Background	3
2.	Executive Summary	4
3.	Likelihood of Successful Delivery	5
4.	Findings and Recommendations	6
5.	Proposed Date for Next Review	9

6.	Appendix A – Summary of Recommendations	10
7.	Appendix B – Record of Interviewees	14

1. Background

1.1 Conduct of the Review

This review was carried out between the 15th and 17th April 2019 at the Peel Port Group Offices, 16 Robertson Street, Glasgow and the offices of Transport Scotland, Buchanan House Glasgow.

1.2 History

This project began as a relatively modest harbour redevelopment being led by Peel Ports Group with North Ayrshire Council contributing to a number of land side facility upgrades. The allocation of the Glen Sannox to this route has necessitated a significant change to the scale and complexity of this project and has drawn in Transport Scotland as the majority funder.

1.3 Related projects or programmes

The following projects are related to this programme:

- The construction of Vessel 801 – The Glen Sannox

2. Executive Summary

The most striking element of this project is the fact that the level of governance, project management and leadership has not expanded to reflect the additional operational pressures and heightened stakeholder expectations as the scope and scale have undergone significant growth. However, the project is now at a stage where it has sufficient visibility to key stakeholders such that fundamental changes to the leadership can be agreed which in turn will drive the imposition of a more appropriate project management environment. Furthermore, the publication and delivery of some key strategies particularly around Communication and Stakeholder management will quickly improve the overall governance and external understanding of the scope and goals of the project. Most of the major elements for an appropriate risk management strategy are already in place if at the moment they sit in disparate systems with little co-ordinated management. A piece of work to draw these elements together into an integrated system with an effective hierarchy of risks is currently outstanding.

Many of the activities necessary to address the recommendations included in this report are already in train but some work is still required to pull them together into a cohesive plan or work schedule. The need for such a structured approach is acknowledged by those in a position to deliver such a plan and the initial steps in this respect have already been taken.

Overall, there is a huge desire and enthusiasm from all the key stakeholders to see the Ardrossan Harbour Redevelopment project successfully delivered even if there is less than perfect correlation across the drivers behind this commitment. The introduction of strong leadership to drive these stakeholders to coalesce around a compromise solution will give this project the focus it needs to complete the current options and funding evaluation stage so that it is well positioned to move forward to the delivery phase.

3. Likelihood of Successful Delivery

Likelihood	Definition
High	There is a high likelihood that this Programme will successfully and fully deliver to its agreed measures of time, quality and cost.
Medium High	There is a reasonably high likelihood that this programme will successfully deliver to the majority of its agreed measures of time, quality and cost.
Medium	There is a reasonable likelihood that this programme will successfully deliver to the majority of its agreed measures of time, quality and cost. However, unless appropriate steps are taken existing issues will have some impact on delivery.
Medium Low	There are some concerns that this programme will fail to successfully deliver to its agreed measures of time, quality and cost.
Low	There is a low likelihood that this programme will successfully deliver to its agreed measures of time, quality and cost.

The Assessment of Delivery Confidence is: **MEDIUM**

The review team had a **MEDIUM** degree of confidence that the project will deliver its objectives and meet its requirements in regards to time, cost and quality.

The Review Team would highlight the need for Transport Scotland to adopt a clear leadership role in this project and subsequently drive through the necessary project management frameworks around timelines, roles & responsibilities, funding, communication and stakeholders in coming to this conclusion.

4 Findings and Recommendations

This project has had a very difficult genesis and is now a substantially different proposition to what was envisaged when the redevelopment of Ardrossan Harbour was first proposed in 2016. Since that time the project has morphed into an undertaking that requires a very different scale of governance and project management than was originally put in place. Unfortunately, as the project has grown in scale and complexity the management structures installed to support delivery have not developed in a similar fashion. However, the project now finds itself at an appropriate time for many of these issues to be addressed and an appropriate delivery structure to be developed.

4.1 Governance

There is a lack of clarity amongst the key stakeholders as to which of the bodies involved in the delivery of this project is actually in the lead role and furthermore, where this responsibility should reside. All the parties are clear that Peel Ports Group will be the prime agent when it comes to the operational delivery of the project and this is confirmed by their ownership of the relevant real estate through Ardrossan Harbour Authority Trust Limited but there is far less certainty regarding the ownership of the overall governance role.

In addition, although the Project Governance Control Document sets out an initial high-level governance structure this does not appear to have been built upon so as to make the roles and responsibilities of the key individuals and organisations within this project as clear as is required for effective delivery. This even extends to the fact that there was significant confusion around who was performing the role of project manager.

The above situation has had a number of impacts including the perpetuation of a protracted decision-making process which in turn has resulted in a significant extension of delivery timescales and stakeholder frustration.

Bearing in mind the significant investment being made by Transport Scotland it seems appropriate that they should take the lead role, undertake to appoint a substantive project manager, review and publish an agreed delivery timetable and clarify the roles and responsibilities of all other parties involved in this project.

Recommendation 1

The review team recommends that Transport Scotland clearly establish themselves as the lead agent for the management of the Ardrossan Harbour Redevelopment project and as part of this process the following key activities are undertaken:

1. The identity of the Project Manager is clearly established.
2. A delivery timetable including an appropriate stage gate process is agreed with all key stakeholders and published.
3. The roles and responsibilities of the individuals and committees involved in the delivery of this project are clarified and published.

There is some uncertainty whether the key decision-making body for this project is the Steering Group or the Task Force as there seems to be significant overlap in the remits and constituency of these two bodies. It is clear that the Task Force is the senior body but nevertheless there remains a danger of duplicated activity which is likely to hamper effective decision making.

Recommendation 2

The review team recommends that the Ardrossan Harbour Steering Group reviews the constituency and remit of itself and the Task Force and makes whatever changes are necessary to ensure the project has appropriate governance and an effective decision-making forum to serve the project well through its next phase.

The Review team understand that negotiations are currently in progress to establish the financial envelope of the preferred solution, how this will be funded and where any financial risk in terms of potential overspends will reside. There is an obvious necessity for there to be contractual clarity across the relevant stakeholder groups regarding all these matters.

Recommendation 3

The review team recommends that Transport Scotland works with the relevant stakeholders to establish a contractual agreement for a funding package to deliver the preferred solution for the Ardrossan Harbour redevelopment project together with explicit commitments regarding the financial risks inherent in a project of this nature.

4.2 Project Management

There is an ongoing problem with document management and the control of outstanding tasks due to the fact that there is no central repository that can be referred to with a high degree of confidence that the most up to date state of affairs is reflected.

Recommendation 4

The review team recommends that Transport Scotland establishes a central document repository for the project and establishes the relevant processes and procedures to ensure all relevant stakeholders contribute to the maintenance of an up to date suite of reference documents for the Ardrossan Harbour Redevelopment project.

4.3 Communications

The project appears to lack a coherent external communications strategy and as a result many of the users of the ferry services that will potentially impacted by this project have little knowledge of what is planned. Without evidence to the contrary, this vacuum has been filled with speculation and

hearsay which has heightened concerns particularly amongst those who use the ferries regularly to commute for employment or social care.

Furthermore, the community on Arran believe that it has been given a Ministerial commitment that the Ardrossan port as a whole will not be closed throughout the redevelopment work and as such the existing service will be largely unaffected.

There was consistent feedback from interviewees that the drop-in sessions held late in 2018 had done little to assuage the fears of the population of Arran regarding the potential disruption to ferry services that may be produced as a consequence of the Ardrossan Harbour redevelopment and that a public meeting may be a better forum for future communications.

It is important that an appropriate Communications Strategy is developed and used as a benchmark to manage communications with key stakeholders and other interested parties.

Recommendation 5

The review team recommends that the Ardrossan Harbour Redevelopment Steering Group develops a comprehensive communications strategy that will form a framework for all future external communication. Input from external specialist support may be required to achieve this.

4.4 Risk Management

A number of stakeholders are maintaining risk registers for their respective areas on engagement. These risk registers are at various stages of development but seem to heading towards achieving an appropriate standard for a project of this nature. However, the review team were unable to identify a risk register that managed the overall project risks nor any form of escalation criteria that might feed up critical risks from these sub risk registers.

It is important that the Steering Group has a mechanism by which it can quickly review and assess all the high-level risks being faced by the project in order that the appropriate mitigation activities can be undertaken where necessary.

Recommendation 6

The review team recommends that the Ardrossan Harbour Redevelopment Steering Group develops a comprehensive risk register that captures all operational, financial and reputational risks together with mitigation strategies and risk owners. This risk register should be reviewed and updated on a regular basis.

4.5 Stakeholder Management

The Steering Group currently acts as a useful vehicle to update key stakeholders regarding the progress of the project – although there is an argument that this should not be a long-term remit for this committee. However, this project has a wide range of peripheral stakeholders such as Scotrail, NHS Ayrshire & Arran and the Arran business community and it is less clear what channels exist to ensure effective two-way communication with these bodies.

Recommendation 7

The review team recommends that the Ardrossan Steering Group establishes an appropriate Stakeholder management strategy for this project that clearly identifies the full breadth of stakeholders and determines an effective communication strategy for each distinct grouping.

4.6 Lessons Learned

There is always an imperative to continually learn from project delivery. In this case there are a number of lessons that can be learned from the Brodick Terminal redevelopment such as the Working Plan produced by George Leslie Limited that gave local residents a clear timeline for construction and when disruptions would occur.

In terms of learning lessons from the Ardrossan Harbour redevelopment project it is important that a lessons log is maintained throughout the life of the project in order that a useful report can be produced once the project has been completed.

Recommendation 8

The review team recommends that the Ardrossan Harbour Redevelopment Steering Group commissions a formal exercise to identify any relevant lessons that can be learned from the recent experiences of the Brodick Terminal, Skye Triangle and Stornoway Ferry projects and furthermore, establishes a lessons learned log for the ongoing capture of lessons that can be learned from the delivery of this project that may benefit future projects.

5 Proposed Date for next review

The review team would recommend that this programme would benefit from a further review in Spring 2020.

Appendix A to the
Independent Project Review of the
Ardrossan Harbour Redevelopment Project

April 2019

Summary of Recommendations

No	Section	Recommendation	Status	
			Scale	Urgency
1.	Governance	<p>The review team recommends that Transport Scotland clearly establish themselves as the lead agent for the management of the Ardrossan Harbour Redevelopment project and as part of this process the following key activities are undertaken:</p> <ol style="list-style-type: none"> 1. The identity of the Project Manager is clearly established. 2. A delivery timetable including an appropriate stage gate process is agreed with all key stakeholders and published. 3. The roles and responsibilities of the individuals and committees involved in the delivery of this project are clarified and published. 	Significant	Urgent
2.	Governance	<p>The review team recommends that the Ardrossan Harbour Steering Group reviews the constituency and remit of itself and the Task Force and makes whatever changes are necessary to ensure the project has appropriate governance and an effective decision-making forum to serve the project well through its next phase.</p>	Moderate	Earliest Opportunity

3.	Governance	The review team recommends that Transport Scotland works with the relevant stakeholders to establish a contractual agreement for a funding package to deliver the preferred solution for the Ardrossan Harbour redevelopment project together with explicit commitments regarding the financial risks inherent in a project of this nature.	Significant	Urgent
4.	Project Management	The review team recommends that Transport Scotland establishes a central document repository for the project and establishes the relevant processes and procedures to ensure all relevant stakeholders contribute to the maintenance of an up to date suite of reference documents for the Ardrossan Harbour Redevelopment project.	Moderate	Earliest Opportunity
5.	Communications	The review team recommends that the Ardrossan Harbour Redevelopment Steering Group develops a comprehensive communications strategy that will form a framework for all future external communication. Input from external specialist support may be required to achieve this.	Significant	Urgent
6.	Risk Management	The review team recommends that the Ardrossan Harbour Redevelopment Steering Group develops a comprehensive risk register that captures all operational, financial and reputational risks together with mitigation strategies and risk owners. This risk register should be reviewed and updated on a regular basis.	Moderate	Earliest Opportunity

7.	Stakeholder Management	The review team recommends that the Ardrossan Steering Group establishes an appropriate Stakeholder management strategy for this project that clearly identifies the full breadth of stakeholders and determines an effective communication strategy for each distinct grouping.	Moderate	Urgent
8.	Lessons Learned	The review team recommends that the Ardrossan Harbour Redevelopment Steering Group commissions a formal exercise to identify any relevant lessons that can be learned from the recent experiences of the Brodick Terminal, Skye Triangle and Stornoway Ferry projects and furthermore, establishes a lessons learned log for the ongoing capture of lessons that can be learned from the delivery of this project that may benefit future projects.	Moderate	Earliest Opportunity

Definitions

Scale

Significant: The issue will have a major impact to the successful delivery in regards to programme time, cost or delivery quality.

Moderate: The issue will have a noticeable impact to the successful delivery of programme time, cost or delivery quality.

Minor: The issue will have a qualitative impact to the successful delivery of programme in regards to time, cost or quality.

Urgency

Urgent: the recommendation should be actioned immediately to avoid the suggested impact to time, cost or quality.

Earliest Opportunity: The recommendation should be actioned at the earliest practical opportunity to avoid the suggested impact to time, cost or quality.

When Convenient: The recommendation should be actioned when a suitable window of opportunity occurs to avoid an impact to time, cost or quality.

Appendix B to the
Independent Project Review of the
Ardrossan Harbour Redevelopment Project
April 2019

Persons Consulted During this Assessment

Name	Organisation	Position
	Arran Ferry Committee	
	CMAL	
	Visit Arran	
	North Ayrshire Council	
	Peel Ports Group	
	CMAL	
	Arran Ferry Committee	
	CalMac	
	CalMac	
	Transport Scotland	
	Transport Scotland	
	Transport Scotland	
	CMAL	
	CalMac	