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UK Project Management Round Up

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Introduction

This has been a very mixed month with some very important news in the nuclear industry, updates on major engineering projects and the result of the Accenture British Gas case. In addition, there are reports of problems in the London Olympic programme and

Emergency Projects

Anyone who has visited the United Kingdom will know that one of the perennial talking points is the weather. This month has seen a good mix of our favourite topic and while we have had some splendid late autumn sunshine, the end of November has been characterised by some truly monsoon like rain, especially in the northern part of the country where some 300 mm of rain fell in just 2 days, causing extensive flooding in Cumbria.

Apart for the estimated £100 million damage caused to the housing stock and infrastructure, communications and transport systems have been badly disrupted. Residents have been warned that collapsed bridges and damaged road may mean that towns and villages in the area may be cut off for months following the collapse of the Northside Bridge and failure of the Colva Bridge.

Emergency project began shortly after the rain eased and the first, a temporary railway station opened less than a week after the flood began. The British Army's Royal Engineers have begun work on a footbridge across the River Derwent to provide a crossing for the majority of resident who live on the south side of the town while the northern part includes the town's port, more than 300

homes and the main routes to outlying settlements and the nuclear power station at Sellafield.

Bloodhound Project



After the success at Edwards AFB in California, back in August, comes news of the latest speed record. The summer saw the culmination of ten years work by an amateur team of engineers and designers when the world's oldest motor car record, for steam powered

cars, was finally broken by the 25ft-long British Steam Car - nicknamed the "fastest kettle in the world" - reached an average speed of 139.843mph on two runs over a measured mile.



Now, Project Director **Richard Noble** of Thrust SSC fame, has announced the start of the construction phase of his latest project. The car, called Bloodhound, has been designed to break the 1000mph barrier, more than 200 mph faster than the current lasd Speed Record of 763mph was set in 1997 by the RAF pilot Andy Green, who will also drive Bloodhound.

The record run is expected to take place in 2011 and will be run in the desert in the Northern Cape of South Africa.

Construction of the car owes a great deal to aerospace technology with advanced materials forming a significant part of the engineering concept. The body shell is made from forged aerospace-grade aluminium. Powered by three engines, main power is supplied by a 400kg (900lb) Eurofighter Typhoon jet engine, a supplementary rocket and a third engine to pump fuel through to the rocket. These thee engines are intended to generate some 135,000 horsepower, or about the same power as the combined efforts of 180 Formula One cars.

The design and testing elements of the £15 million project have taken an unusual route. Traditionally, engineering designs have relied on drawings and models. The Bloodhound design has been produced using the latest electronic design tools and visioning application while early tests are simulated using an array of powerful supercomputers. Even the thickness of the car's paint has been simulated. At the speed that Bloodhound is expected to achieve, an extra layer on one side of the car is sufficient cause a deviation that lead to a tailspin. According to press reports the Bloodhound project computing power recently

surpassed the UK Meteorological Office who use some of the most powerful computers in the world.

Nuclear News

The plight of Britain's power generation capacity came into sharp focus this month as plans were announced to build 10 new nuclear power stations in a £50 billion programme over the next 15 years. The major concern is that individual plants, which are expected to cost at least £4 billion each and take at least 5 years to build, will not be ready before 2017. This is far too late to take up the lost generating capacity caused by the closure of eight coal-fired stations scheduled for closure by 2015.



Sizewell B Nuclear Power Station

Mr **Ed Milliband**, Energy and Climate Change Secretary, has fast tracked ten sites for the new builds and while most are alongside existing nuclear plants (Sellafield, Hinkley Point and Sizewell) a number of the sites are Greenfield locations. In order to forestall public protest which has been known to block major infrastructure projects by up to 7 years in the case of Heathrow's Terminal 5, Mr Milliband is reported to be fast tracking applications through a new quango – the Infrastructure Planning Commission.

The new nuclear power stations are a major plank in the Government's policy in several areas. The new generators are intended to enable Britain to meet its 2050 target of reducing carbon emissions by 80% and also to reduce the reliance on imported gas. According to the Energy Secretary "New nuclear is right for energy security and climate change and will be good for jobs too." The reactors should meet at least a quarter of electricity demand by 2025. Currently, about 13 per cent of Britain's electricity comes from nuclear power reactors.

Last month OFGEM, the energy regulator, warned that Britain may face blackouts within four years owing to a supply shortage. Each new reactor will generate up to 1.6 gigawatts — enough to power a city the size of Manchester — and should last for 60 years

Against this background, a new German joint venture was announced. Horizon Nuclear Power is a 50 – 50 joint venture owned by E.ON and RWE npower and is intended to invest £15 billion and create 11,000 jobs in the UK nuclear industry over the next 15 years. The two companies currently have interests in 23 reactors in Germany. According to reports the new company has acquired land for the site developments at Wylfa in Anglesey and Oldbury on Severn in Gloucestershire. The combined output of two new sites should be about 6000

megawatts which would be sufficient to power London – but not before 2020. While all this is good news for the construction industry and 800 permanent jobs at each site, Horizon expect up to 10,000 temporary jobs to be created, it comes at a cost. New power stations are expected to produce about 20 tonnes of spent fuel per year.

In a separate announcement, Mr Milliband authorised construction of a ‘deep geological repository’ for the permanent disposal of 200 tonnes of highly radioactive waste annually. The store will also house waste from past military and civil programmes.

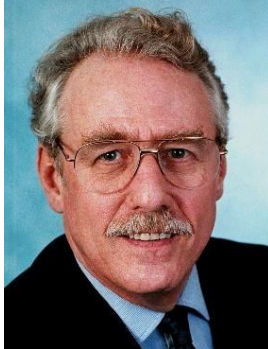
Despite all the recent announcements, there remains a fly in the nuclear ointment. Recent reports from the Director of New Nuclear build design assessment at the Nuclear Industry Inspectorate, **Kevin Allars**, has raised concerns over a number of features of both the Westinghouse and French EPR reactor designs proposed for use in this new generation of British nuclear power stations.

Meanwhile, the older generation of reactors is facing a difficult future as funding for decommissioning seems to be drying up. Press comment this week highlighted speculation that the Nuclear decommissioning Agency’s £4 billion budget is under scrutiny that threatens the money not spent directly on decommissioning activities but rather goes on ‘support activities’.

Accenture – British Gas Court Action

Although still a long way from settlement, this long running court case over the contract to develop an IT system has reached initial rulings over some parts of the action. British Gas claims that the IT System developed by Accenture ‘reduced its customer billing service to a shambles’.

The initial judgement on 6 issues opens the way to a full trial sometime in 2010. Accenture still disputes the ruling and intends to appeal, claiming that ‘there has been no final determination of the case’. The judgement relates to preliminary issues raised by Accenture in relation to the wording of a contract and a warranty. British Gas is claiming damages and costs of up to £200 million. The initial judgement was in favour of British Gas on all six issues raised by Accenture.

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Miles Shepherd is a global advisor and International Correspondent for PMForum in the United Kingdom. He is also managing director for MS Projects Ltd, a consulting company supporting various UK Government agencies, nuclear industry organisations and other businesses. Miles has over 30 years' experience on a variety of projects in UK, Eastern Europe and Russia. His PM experience includes defence, major IT projects, decommissioning of nuclear reactors, rail and business projects for the UK Government and EU. Past Chair and Fellow of the Association for Project Management (APM), Miles is also past president and chair of the International Project Management Association (IPMA). Additional information about Mr. Shepherd can be found at

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