

HSE Nuclear Directorate Response to the report by AMTEC Consulting on applying OGC best practice PPM to the GDA Programme

7 May 2009

Introduction

I commissioned this report from AMTEC Consulting Group in response to a comment from the independent Generic Design Assessment (GDA) Process Review Board, published on 7 May 2009 as well as Summary Recommendations made by Dr. Tim Stone as part of his regulatory review, published in 2009. Whilst the Process Review Board accepted that progress had been made in some areas, it recommended that we needed to further strengthen our project management arrangements by conforming more closely to the Office of Government Commerce (OGC) programme and project management (PPM) model.

You can find the Process Review Board report, and our response, on the joint HSE/Environment Agency new build website at: www.hse.gov.uk/newreactors/reports.htm.

In summary, AMTEC concluded that:

- GDA should be managed as a programme in line with OGC PPM best practice principles;
- Two experienced project managers should be brought into the GDA team, one to lead on each of the two reactor designs in GDA; and
- The team should be reorganised to correspond with a more traditional programme managed team structure.

You can find the AMTEC report on the joint HSE/Environment Agency new build website at: www.hse.gov.uk/newreactors/reports.htm.

I very much welcome AMTEC's report and fully accept the importance of having appropriate project management systems in place.

Although some of the evidence used by the AMTEC staff to draw their conclusions is thin, the recommendations draw from what was a very short time spent with a limited number of my GDA staff are all welcomed and accepted. This is why I have already started to implement their recommendations. In particular, I am in the process of appointing two experienced Project Managers as well as reorganising my team to correspond with a more traditional project managed team structure. A new organisational structure is set out at Annex A.

Whilst the report recommends that we should improve our Project Management capability, it also highlight (as does the Process Review Board report) the fact that the GDA team is made up of strongly committed, highly competent and determined technical specialist staff that want it to succeed. I agree. It is also true to say that any lack of project management processes has not undermined the quality of the assessment work that we have done to date; but I accept the point that it would benefit from the support of programme and project management, which is essentially the key overall recommendation from AMTEC.

We will build on those significant strengths and we will also develop a stronger and more outwardly focussed Programme and Project Management capability within the team, together with improved planning and evidence-based delivery programming.

I would like to thank the HSE Health and Safety Laboratory staff for their work on the early input to the AMTEC report and, in turn, the AMTEC staff for their prompt and clear report, and for providing positive suggestions and recommendations for improvements to the GDA process.

Kevin Allars
Director of New Nuclear Build (GDA)

7 May 2009

Background

1. In January 2008, the Government announced its support for the building of a new generation of nuclear power stations in the UK. The Health and Safety Executive (HSE) and the Environment Agency have a key role in the nuclear power programme; by making sure that any new nuclear power station built in the UK meets high standards of safety, security, environmental protection and waste management.
2. As a first step to achieving this aim, in July 2007 HSE started work on assessing a number of new nuclear power station designs, using the newly-developed GDA process. You can find more information on our assessment work on the joint HSE/Environment Agency website at: www.hse.gov.uk/newreactors.
3. The AMTEC review was commissioned in response to recommendations and comments from a number of independent reviews of the GDA process, including the Nuclear Regulatory Review produced for the Government by Dr. Tim Stone in 2008, and two GDA Process Review Board reports.
4. The HSE Health and Safety Laboratory also carried out an internal report on the project management arrangements for GDA. This was an internal report, which was used to inform the more detailed AMTEC Report.
5. AMTEC considered both the appropriateness of carrying out OGC Gateway™ Reviews on GDA and looked at the opportunities for improving programme and project management through learning from OGC best practice.
6. AMTEC is an independent advisory consultancy specialising in business and management processes. It is one of a select group of preferred sourcing partners to the OGC through its 'External Resources Framework'.

Recommendations

7. AMTEC's key recommendations were to:
 - Place the GDA programme under the OGC Gateway™ Review process in order to benefit from best practice programme and project management assurance;
 - Assign two experienced project managers (PRINCE2 practitioners) to the GDA programme; and
 - Re-organise the GDA programme along the lines of a more traditional project managed team structure.
8. In addition, AMTEC made a number of recommendations that it considered critical to the successful delivery of GDA. These included:
 - Clarifying the role of the Programme Manager;
 - Completing existing project level plans to enable a reasoned view to be taken of exactly what level of assessment resource is required and when;
 - Introducing capacity planning to determine the total expected demand on assessment resources;
 - Reviewing, revising and completing project plans to demonstrate the "most likely" activity plan to deliver the outputs; and
 - Creating a Programme Management Office (PMO) in order to integrate all programme support activities.

Response

9. We agree with AMTEC that GDA should be managed as a programme in line with OGC PPM best practice principles, and we are taking steps to facilitate this. We also agree that the team should be reorganised along the lines of the more traditional project managed team structure, which includes the appointment of two experienced Project Managers.
10. We are in the process of reorganising the GDA team - the new team structure is included at Annex A. Under the new arrangements, the GDA team will be headed by a Director and a Deputy Director, who will also serve as the overall Programme Manager for GDA, responsible for the overall integrity and coherence of the GDA programme.
11. We are in the process of appointing two professional, experienced Project Managers, one for each of the designs we are currently assessing (EDF Areva's EPR and Westinghouse's AP1000). Amongst other things, the Project Managers will be responsible for:
 - further developing and delivering an appropriate project management framework for the effective and efficient delivery of GDA, including the appropriateness of undertaking Gate Reviews;
 - preparing and maintaining project plans, which include milestones, metrics, and risk assessments, that take into account plans being developed by Government, nuclear power station designers, and potential operators, as appropriate;
 - monitoring the delivery of GDA against the project plans, including working with Heads of Assessment to monitor the use of available resources needed, and preparing regular reports for the Programme Manager;
12. Two Project Technical Inspectors, reporting to the Project Management Office, will work closely with the Project Managers.
13. A new Project Management Office (PMO) is being established, which will be responsible for providing all the information required for the successful management of the GDA programme. The PMO will manage a range of functions including governance and quality assurance, stakeholder engagement, Government relations and the Joint Programme Office, which provides business management support across the GDA team.
14. There will be two Assessment Units, one responsible for assessing the nuclear power station 'systems' and one covering 'engineering and hazards'. The Heads of Assessment Units will manage teams of nuclear assessors and ensure the optimum use of the available skills and will be responsible for the technical/regulatory assessment issues, methods, outcomes and quality of the assessment work.
15. Although the new team structure we are implementing does not match exactly what AMTEC recommended, we have discussed the new team structure with them and they are satisfied that it meets the overall objectives. We will be implementing the changes over the coming weeks.

Conclusion

16. Over the past 18 months we have been focussing primarily on recruiting the technical resources we need to deliver GDA and driving GDA forward. We have also taken steps to improve our project management arrangements. This includes appointing a dedicated project management team to develop and implement new project management procedures and plans for the delivery of GDA, and appointing a project assurance officer. However, we recognise that we need to build on this, and we will.

17. Primarily we will do this by:

- managing GDA as a programme in line with OGC PPM best practice principles;
- reorganising the GDA team to along the lines of the more traditional project managed team structure;
- appointing two experienced Project Managers; and
- strengthening our project management procedures and plans.

18. We are grateful to AMTEC for their assessment of our project management arrangements and we very much welcome their recommendations.

Generic Design Assessment Programme Management Structure

