

**POST COMPLETION REVIEW LESSONS LEARNED**

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**1. EXECUTIVE SUMMARY**

- 1.1 As part of the programme of continuous improvement the Strategic Asset Management Board carries out post completion reviews of capital projects to look for good practice which can be replicated across project delivery as well as aspects of delivery which could be improved.
- 1.2 The post completion reviews looked at issues in respect of project delivery, a comparison of the actual cost against the budget, whether the project was delivered on time and whether the benefits included in the business case for the project were achieved.
- 1.3 This report summarises the findings and lessons learned from carrying out reviews of capital projects which completed during 2015-16 and the recommendation is that the report is noted.

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**POST COMPLETION REVIEWS AND LESSONS LEARNED**

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**2. INTRODUCTION**

2.1 As part of the programme of continuous improvement the Strategic Asset Management Board carries out post completion reviews of capital projects to:

- Identify good practice
- Identify areas for improvement

2.2 The purpose of this report set out the learning points identified by the reviews.

**3. RECOMMENDATIONS**

3.1 To note the contents of the report.

**4. DETAIL**

4.1 The Audit Scotland report on Major Capital Investment in Councils recommended that Councils carried out post completion reviews of capital projects and reported the findings in conjunction with any lessons learned.

4.2 In respect of capital projects completed during 2015-16 reviews were carried out which looked at project performance covering the following:

- Completed on time
- Completed on budget
- Contractor Performance
- Lessons Learned
- Benefits Realisation

4.3 In terms of asset sustainability projects these were considered at the programme level as that is how they are managed with any learning points being identified. In respect of service development and strategic change projects each project was looked at individually with a template being completed.

4.4 The key findings from the reviews undertaken were that in general projects were completed on time. There were variations between budgets and actuals at individual project level, but the overall programme, in terms of asset sustainability projects was managed to deal with these variations. The overall performance of contractors was good, but there were instances of poor performance which should be addressed when selecting the contractor and this will in the future inform the Council's Vendor Rating System.

- 4.5 The main lessons learned were that it is important to have communication, early agreement and engagement with clients, for example, effective partnering with GreenPower resulted in improvements to the road alignment. This opportunity only came about through effective communication within the Infrastructure Design and Network Management Teams within Roads & Amenity.
- 4.6 In terms of areas for improvement it was identified that there needs to be clear brief of the client's requirements before proceeding with a contract. In respect of property works the need for more detailed surveys should be appraised early in the process to gain a better understanding of the work required which in turn should assist with more accurate costing of the job.
- 4.7 The completed projects in 2015-16 were mainly asset sustainability projects and the benefits of the projects were in terms of improving or maintaining the condition of the assets which the projects delivered. As an example, the Kintyre Renewables Hub project delivered the benefits anticipated in respect of the improvements to the accessibility of the New Quay and the extension of the quay itself.
- 4.8 Appendix 1 illustrates the nature of the findings from the review and how they will be addressed.
- 4.9 The table in Appendix 2 - Project Performance gives a comparison of the total project spend against the project budget which shows an overall underspend of £304k against budget. The savings were as a result of the costs of the projects being less than estimated at the beginning of the project the savings have been vired to deal with overspends elsewhere within the capital plan.
- 4.10 The main reasons for in the case of the 11 projects where actual costs exceeded budget is outlined in paragraph 4.6 above which highlighted the need for detailed surveys to improve the estimating the costs of work.
- 4.11 The appendix also includes information on whether the project was delivered on time, within budget and if the expected benefits where achieved.

## **5. CONCLUSION**

- 5.1 The carrying out of the post completion reviews has highlighted a number of lessons which if implemented should result in improved performance in the delivery of future capital projects.

## **6. IMPLICATIONS**

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| 6.1 | Policy –           | None   |
| 6.2 | Financial -        | None   |
| 6.3 | Legal -            | None.  |
| 6.4 | HR -               | None   |
| 6.5 | Equalities -       | None.  |
| 6.6 | Risk -             | By applying the lessons learned this should reduce the risks associated with delivery of capital projects in the future. |
| 6.7 | Customer Service - | None.  |

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Appendix 1 Project Findings

Appendix 2 Project Performance

## Appendix 1 Project Findings

<b>Project</b>	<b>Findings</b>	<b>Responsible Officer</b>
Whitegates Offices, Roofing Improvements	More cost certainty would have been possible if roof details were checked in more detail on site prior to contract	Head of Facility Services
Hermitage Primary School Annexe Replacement	Ensure that any technical issues are clear to contractor prior to commencement on site	Head of Facility Services
Schools Projects	Working with education and care commission has improved communications	Head of Facility Services
Rhu Community Education Centre	Expectations of community users need managing	Head of Facility Services
Carbon Management Projects	Alternative sourcing solution now utilised for biomass projects; effectively projects now contractor design, build, maintain and operate.	Head of Facility Services
Roads Reconstruction	Improve programming of work	Head of Roads and Amenity Services
Flood Prevention	Scottish Water significantly affected one project - with inaccurate plant locations, and very bureaucratic and slow responses to requests for requirements to alter their plant. This has been taken up with the Council's	Head of Roads and Amenity Services

	RAUC representative with regard to minimising future delays/costs for alteration to public utilities' plant in the road corridor as a result of road improvements.	
A83 South of Muasdale - Preliminary Design	Effective partnering with GreenPower resulted in improvements to the road alignment. This opportunity only came about through effective communication within the Infrastructure Design and Network Management Teams within Roads & Amenity.	Head of Roads and Amenity Services