

The Cornmarket Street Reconstruction Scheme

Joint Oxford City Council & Oxfordshire County Council Scrutiny Review

Joint Response of the two Councils

Introduction

1. The Joint Scrutiny Review reported in February 2005. The final recommendation of the Review was for the two authorities to produce a joint response to the report, including an action plan, for consideration by their respective Executives by the end of July 2005. This paper represents the joint response with the action plan attached.

Overview

2. The review is welcomed as providing an explanation as to why the scheme took so long to complete and cost more than originally estimated. The independent review was thorough and fair and all the recommendations have been accepted.
3. Both the Councils were very concerned about the delays and the increased costs incurred by the project. A number of reasons were identified for things going wrong, among them being an insufficient evaluation of potential risks, unforeseeable events, and time pressures to start the works on site. Both Councils are determined to ensure that the recommendations are fully implemented and that their project management disciplines include processes designed to prevent the problems which occurred on the Cornmarket scheme.
4. Cornmarket has been a complex project. Both Councils have been involved in making decisions on particular but different aspects of the scheme. The project has also involved Council staff, specialist advisors and the firms contracted to design, manage and build the scheme. It has been recognised in the review that there was no negligence or dereliction of duty and that no one individual was to blame.
5. It should not be forgotten that there were some good practices carried out during the project. The transfer of the contract after the initial contractor went into receivership and the decision to go to mediation to avoid legal expenses are highlighted in the report. There have also been some good outcomes from the scheme. Cornmarket has been considerably improved and the underground services are now in much better order. Indeed, throughout the period of the project, the street was never closed and its businesses continued to operate.
6. There are examples of good project management in each authority. Within the City Council the Ferry Sports Centre was completed on time and below the estimated cost. Within the County Council Marcham Road, Abingdon, and Saxton Road Home Zone, also in Abingdon, were large and difficult transport projects delivered to time and budget. The re-organisation of City Schools was a major and complex programme of works across all of the schools in the City that was completed on programme and on budget.

Action Plan

7. A significant proportion of the problems with the scheme emphasised the need for good project management disciplines.
8. With regard to the County Council's project management for transport schemes, much of what is called for in the recommendations is already set out in the Transport Schemes Project Manual. This heightened emphasis on project management resulted from a Best Value Review of construction procurement which reported in 2002. That Review also included property construction and their project management arrangements also include similar requirements to those used in transport schemes.
9. With regard to the City Council's Capital Programme, many of the recommendations on project management are in place. The Council has embraced Prince 2 principles, instigated Project Boards to monitor major capital projects and involved developers early in collaboration to identify, share and mitigate risks. Regular updates have been provided to the Executive Board on the overall programme and individual projects. The City Council has also benefited greatly from appointing external project managers who brought specialist knowledge, experience of the construction industry, design and project management assistance.
10. As a consequence of the improvements to working practices that have already taken place following the scheme, the action plan (attached) identifies what is already in place that addresses the recommendation, with a separate section identifying what further action is outstanding/required.
11. Clearly the action plan needs to be implemented. Performance indicators for construction time, cost and satisfaction for both transport and property schemes are already in place as part of both Council's contracts with their suppliers. Reporting on performance as part of regular monitoring arrangements will provide evidence as to the success of the measures already in place and the further measures (as set out in the action plan) yet to be implemented.

Conclusion

12. The independent Joint Scrutiny report is welcomed as an explanation of the delays and increased costs. Both Councils sincerely regret the problems that occurred during the Cornmarket project, and recognise that the delivery of this key project fell far short of what the public of Oxford and Oxfordshire deserve. The lessons learnt during this project, and the welcome report from the Independent Scrutiny Panel have helped to identify what went wrong and how to put it right. Both Councils are determined to resolve the failings highlighted by the review and implement the action plan to address the recommendations in the report.

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