

Lessons Learned

The WERR was the first scheme to be delivered from the West Yorkshire + Transport Fund. As a result, elements of the development work were carried out before formal processes were adopted. There have been a number of lessons learned which have flowed from the experience on WERR that fed into the review of the Combined Authority processes that took place in 2015-16.

Risk Register

Whilst there were a number of unforeseen issues that arose during the construction phase, a review of Wakefield Council's risk register has indicated that some of these key risks were not identified, nor was sufficient allowance made for risks arising. In the period since WERR was approved, the Combined Authority has strengthened its approach to risk management and is currently working towards a higher degree of consistency across the WY+TF programme. A programme of training for Combined Authority and District staff in areas of risk identification and management is planned for the near future.

Optimism Bias

WERR suffered from being the initial WY+TF scheme to be delivered, at a time when the Delivery Directorate had not been established, nor had the Portfolio Management Office (PMO) been set up. There was also no clarity provided to promoting authorities with respect to the treatment of risk in terms of Optimism Bias. This situation will not arise with any subsequent projects since they have all been subject to the Assurance Process, which includes review by the Programme Appraisal Team (PAT).

Accelerated Start on Site

The issue that arose around the Network Rail possession is one that future projects need to be acutely aware of. The timescale constraints that the issue presented did lead to increased costs, although it is arguable that these should have been foreseen and allowed for by Wakefield Council in their approved project budget.

River Bridge Design

The consequences of the issues relating to the bridge design led directly to cost overruns, which were compounded by the deadlines around the Network Rail possessions, as set out in 3.9-3.11 in the report. Insufficient risk allowance was built in by Wakefield Council into the scheme costs, as well as limits around liability being set too low. The Combined Authority processes in place now should mitigate similar future events arising.

Ground Conditions

Wakefield Council did undertake ground condition surveys, though these did not highlight any issues in relation to the river bridge location. Insufficient allowance was built into the risk allowance by Wakefield Council for this potential event. The Combined Authority are currently seeking to appoint a Cost Review Manager to

provide both support and challenge to scheme costs for WY+TF projects, which should assist in mitigating similar issues arising on other projects.

Network Rail

The extent of discussion with Network Rail around 'Shared Value' during the development stage of the project is unclear, as is the derivation of the £1m figure by Network Rail. It is recommended that this issue is escalated within Network Rail so that mediation can take place around this figure. This was not highlighted as an explicit risk in Wakefield Council's Risk Register. On all current WY+TF schemes, the Combined Authority expertise in the delivery of rail projects is brought into project evaluation, which should mitigate the risk of a repeat of this situation arising,

Combined Authority Delivery Directorate

Subsequent to the WERR approval, the Combined Authority's Delivery Directorate (which includes dedicated Implementation, Portfolio Management Office and Feasibility & Assurance teams) has been established, overseen by a newly appointed Director of Delivery. The currently robust processes relating to the management and treatment of project risks which were previously not in place have now been developed and embedded.

The Assurance Process, which forms part of the approved the Combined Authority's Assurance Framework (February 2017), has also been significantly strengthened. A Peer Review recently undertaken by another LEP of the Combined Authority's Assurance Framework described it as "best or at least represents very good practice". The Combined Authority roadshows involving all District Partners have been held in recent months to ensure that the principles of the Assurance Framework are embedded with partners and are clearly understood by all.

A Programme Appraisal Team (PAT) was established by the Combined Authority in late 2016 which is represented by Directors and Heads of Service from across the organisation. The remit of the group is to review all of the Combined Authority-funded projects at agreed Decision Points in the Assurance Process and to provide a level of assurance and scrutiny which meets national guidelines. The PAT has reviewed over 100 projects since it was established, and provides vital feedback to scheme promoters on their submitted business cases prior to political sign-off. This level of scrutiny was not in place at the time of WERR's approval, and a number of issues relating to risk management and the treatment of risk allocation may not have arisen otherwise.