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- The new APM and PwC report seeks to highlight the contribution of the project profession to all aspects of UK plc, and reveals that the profession generates GVA that far outstrips other cross-business activity such as design, law, and marketing.
- Debbie Dore, chief executive of APM welcomed the report: *"Project management has for too long been cast as a 'Cinderella' or 'hidden' profession, working hard behind the scenes to ensure other's success. But this new report recasts the profession into the role of a 'golden thread' - a seam that runs through UK plc, helping to develop new services, drive strategic change and sector-wide reform. In short, this report finds that the project profession is a thread truly woven into the fabric of UK societal and economic success."*

Public accounts committee – report on the Department for Transport (DfT) and the delay to Crossrail:

- The **House of Commons public accounts committee** this month published a [report](#) on the **Department for Transport (DfT)** and the delay to Crossrail. In its report the committee says that the DfT and Crossrail are "unable to fully explain how the programme has been allowed to unravel." Crossrail Limited, it says, "failed to properly report the position of the programme and risks. Key warning signs were missed or ignored, and parliament and potential new passengers still do not know the root causes of the delays and significant cost overruns."
- As the programme progressed, the Department, as a joint sponsor of the programme with Transport for London, "failed to ensure that the governance arrangements it had put in place were robust." The committee says that it is becoming "increasingly alarmed" at the continual shortcomings its work has highlighted in the Department's project management and oversight of the railways and says that it "will continue to look closely at progress with this programme." Although the committee has previously questioned the Department on the additional funding announced in July 2018 to cope with cost increases, this has only been a precursor to further cost escalation – with more funding to be agreed at a later date. The committee sees that this is symptomatic of how the costs of this project have been allowed to "spiral out of control" whilst question marks remain around its completion and when new train services will start to run.

The Golden Thread – APM/PwC report

- New research, commissioned by the Association for Project Management (APM) and conducted by PwC UK, has for the first time revealed the scale of the contribution the project profession makes to the UK economy. The new report, entitled [The Golden Thread](#), has identified that project management in the UK generates around £156.5bn of annual Gross Value Added (GVA) and that an estimated 2.13 million full-time equivalent workers (FTEs) are employed in the UK project management profession. This means around 7.9 per cent of UK employment (full time equivalents FTEs) delivers almost nine percent (8.9 per cent) of total UK GVA.

The spring statement 2019:

- Almost entirely overshadowed by Brexit, the chancellor this month delivered his 2019 spring statement. Introduced by the chancellor in 2018, the *spring statement* differs from the *autumn budget* in that it is simply the chancellor's financial update on the country's economic status. This statement was unprecedented – with the government having just lost the second meaningful vote on the withdrawal agreement and the chancellor forced, as a result, to deliver an economic statement without knowing whether MPs would vote to reject no-deal or whether the UK would be seeking an extension with Article 50 [they rejected the prospect of no-deal and agreed to an extension to Article 50].

The sense of uncertainty was palpable as the country sought to prepare itself for multiple scenarios – while simultaneously seeking to address existing problems within the economy and society. The statement, and announcements in the published [Written Ministerial Statement](#) did not mark the “end of austerity”, as had been promised by the prime minister last year, but did contain some key announcements on housing, the environment and taxation.

In a quieter spring statement, and amidst continued criticism of the government's lack of commitment to the regions of the UK, Mr Hammond used this opportunity to announce specific funding for the [Transforming Cities Fund](#), with £60m of investment in 10 cities across England. Additionally, the locations for Wave 3 of the local full fibre networks were announced.

- Among the key announcements:
 - On the apprenticeship levy, the halving of the co-investment rate from 10 per cent to 5 per cent, and the ability for employers to transfer 25 per cent to their supply chains, has been brought forward and will now take effect from April 2019.
 - A spending review before the summer recess to be concluded alongside the autumn budget, dependent on leaving with a deal and an orderly transition.
 - An updated national infrastructure strategy to be published alongside spending review and the announcement of the 'Infrastructure Finance Review' consultation.
 - Confirmation of the low pay commission's remit for 2019 and publication of the *terms of reference* for Professor Arindrajit Dube's review of the latest international evidence on minimum wages.

- At the same time as the spring statement, the **Office for Budget Responsibility** (OBR) published its economic and fiscal outlook, revising down their near-term GDP forecasts due to a slow-down of economic growth in the UK (and globally). However, tax receipts performed better than expected in the final months of 2018–19 which, combined with downward pressure on debt interest spending, delivered a modest medium-term improvement in public finances.

In the outlook the OBR stated that of the six forecasts they have produced since the EU referendum, four have shown an improved outlook for public finances and two have shown a deterioration. The

OBR outlook recognises the risk and uncertainty Brexit causes to the UK economy and states that a no-deal exit “remains the biggest short-term risk to the forecast.” Key OBR forecasts contained in statement:

- Growth of 1.2 per cent this year (2019), 1.4 per cent in 2020, and 1.6 per cent in each of the final three years.
- By 2030 OBR has forecast an expected 600,00 more new jobs.
- The OBR revised wage growth up to three per cent (or higher) in every year – with inflation now around the target throughout the forecast period. Borrowing this year will be 1.1 per cent of GDP, £3bn lower than forecast at the autumn budget.
- Debt lower than forecast in the (autumn 2018) budget, falling to 82.2 per cent of GDP next year, then 79 per cent, 74.9 per cent, 74 per cent, and finally 73 per cent in 2023–24.

The transport infrastructure efficiency taskforce (TIET) – one year on:

- The **transport infrastructure efficiency taskforce (TIET)**, charged with implementing the [transport infrastructure efficiency strategy \(TIES\)](#) which is a collaboration between the **Department for Transport, Transport for London, HS2 Ltd, Network Rail and Highways England** – has a new chairman: Mike Brown MVO has been appointed as the new chair of the **transport infrastructure efficiency taskforce (TIET)**. The TIET published its [one year on report](#) setting out progress in three key areas:
 - Improving understanding of costs and performance.
 - Adopting modern methods of construction in infrastructure projects.
 - Enabling improved delivery, through developing long-term, collaborative relationships with supply chains.
- The report sets out some commitments for its second year, including:
 - **Understanding cost and performance** – Building on the benchmarking forum's capabilities by extending its membership to include client, academic, and professional communities (summer 2019);
 - **Exploiting digital** – Supporting the roll-out of automated design; promoting construction techniques that exploit manufacturing processes; and encouraging the use of technology to improve asset management capability benefits across the whole life of the asset; and
 - **Enabling delivery** – Convening a challenge panel of experts to offer a TIES challenge function (operational by autumn 2019) and developing the benchmarking capability to help inform objective challenge and corroboration of costs at an early stage in decision making and business case development.

- The publication of the one year on report also coincides with the **Infrastructure and Projects Authority (IPA)** publishing its [Best Practice in Benchmarking](#) report which focuses on ensuring infrastructure investment decisions are both “informed and transparent”.

NAO report on the government's apprenticeships programme:

- The **National Audit Office (NAO)** published its [report](#) on the government's apprenticeship programme – assessing whether it is providing value for money in fulfilling its stated objectives of “addressing poor productivity” and “tackling a lack of employer investment in training” in recent years. Among the *key findings* from the report include that:

- the DfE has not set out clearly how it measures whether the programme is boosting economic activity;
- since funding reforms were introduced, apprenticeship starts have fallen substantially – in 2017/18 there were 375,800 which is 26 per cent lower than the 509,400 starts in 2015/16;
- in 2017/18 levy paying employers used just nine per cent of funds available to them to pay for new apprenticeships (£191m of almost £2.2bn of levy funds);
- the average cost of training an apprentice is double what was expected, as employers are choosing more expensive standards at higher levels than expected. This could inhibit the growth in the number of apprenticeships once frameworks are withdrawn and all apprenticeships are on standards;
- to meet the government's own target of three million new apprenticeship starts by March 2020, the rate of starts would need to double for the remainder of this parliament;
- the ESFA has limited assurance that apprentices are spending at least 20 per cent of their time on off-the-job-training; and
- around a third of apprentices covered by inspections in 2017/18 were being trained by providers rated by Ofsted as 'inadequate' or 'requires improvement'.

Among the *key recommendations* from the report include that:

- The DfE and the ESFA should assess whether they would secure better value for money by prioritising certain types of apprenticeship, rather than delivering a programme for apprentices at all levels, in all sectors.
- The DfE should set out clearly how it measures the impact of the programme on productivity and indicate the level of impact that it is aiming to achieve.

Reports, publications, and events across Westminster and Whitehall:

- **Minister of state for apprenticeships and skills, Anne Milton MP** issued a [written ministerial statement](#) on reforms to technical education detailing that the government is launching its first stage consultation on the post-16 review of qualifications at level 3 and below in England. The review will aim to simplify the level 3 landscape, and “ensure that every single qualification is necessary and has a distinct purpose, is high quality and supports progression to positive outcomes”. Ms Milton emphasises that, subject to the outcomes of the consultation, a qualification at level 3 that overlaps with a T Level or A Level, would not, in future, be approved for funding for 16 to 19-year olds. At level 2, the minister confirms that, to “drive up quality and ensure fairness in the system at an early stage”, the government will, in August 2020, withdraw approval for funding for older qualifications, where there are “newer, more robust versions that have been re-developed to meet performance table rules”. The minister also confirmed that the government will be consulting in two stages, looking *first* at the principles that should guide the review before moving on in the *second* stage consultation to detailed proposals for change. The government will bring forward the second stage consultation later in the year.
- The **House of Commons business energy and industrial strategy (BEIS) select committee** announced a [new inquiry](#) on *supporting regional investment and growth*. The inquiry will scrutinise business investment and growth in all parts of the UK, beyond areas of heavy investment such as London and the South East. The committee will be examining the government support available for businesses and how best to attract inward investment to parts of the country with lower productivity and the **deadline for submissions is Friday 17 May**. The committee is inviting submissions on the following points:
 - What is the role of the government in addressing regional disparities for businesses across the UK? Does the devolution of powers, including city and region deals, the Northern Powerhouse, and Midlands Engine, provide LEPs and other bodies with the tools they need to deal with the issue?
 - Are there barriers to new businesses being established in less-productive areas? How does clustering affect other businesses in that region, for example: are Catapult Centres widening or limiting investment in their local areas?
 - Are businesses outside of cities able to access finance and attract investment? How has existing support from EU structural funds supported regional growth? Will new government measures, such as the Stronger Towns Fund and Shared Prosperity Fund, provide effective support for growth in these areas?
 - How does the mobility of businesses to relocate within the UK and overseas affect their investment in local areas? Should local and national government be seeking to reduce business relocation?

- Is the government prioritising the right areas for early local industrial strategies? Will the strategies enable areas to tackle productivity and growth disparities within regions?
 - **Secretary of state for defence, Gavin Williamson MP** [announced](#) publication of an update to the *defence prosperity programme*. The MOD acknowledged the importance of direct spending with industry in creating jobs and supporting the UK economy. Some of the 40 recommendations from the [Dunne review](#) are already being incorporated into the department's overall *defence prosperity programme* and they will be under continual review. The written ministerial statement outlines how this incorporation is happening and has several important announcements on investment and supply chains. Dunne will also work with the MOD to review the response to his report in due course.
 - The **Department for Digital, Culture, Media and Sport** published a report on cyber security risk management in UK businesses.
 - The **Department for Transport (DfT)** launched its [Future of mobility: urban strategy](#) outlines the government's approach to maximising the benefits from transport innovation in cities and towns. It sets out the principles that will guide government's response to emerging transport technologies and business models. The strategy also contains details of the next steps for the government's [Future of mobility grand challenge](#). Alongside the strategy, the DfT has also published the summary of responses to its [Future of mobility call for evidence](#).
 - The **DfT** is also extending the [Aviation 2050](#) green paper consultation period to 20 June 2019 to "provide further time for stakeholders to consider its proposals and submit their consultation responses." The extension will not apply to specific questions on legislative airspace change proposals – which have been consulted on alongside the green paper. The closing date for responses to the airspace change legislation questions remains 11 April 2019.
 - The **House of Commons public accounts committee** published its reports on [NHS commissioning](#), on [the NHS long-term plan](#), and on the [public cost of decommissioning oil and gas infrastructure](#).
 - The **House of Commons business, energy and industrial strategy committee** published its [report](#) on industrial strategy and neglected industries.
 - The **House of Commons digital, culture, media and sport committee** published its [Live music report](#).
 - **Secretary of state for housing, communities and local government James Brokenshire MP** has announced a range of commitments to drive forward growth in the Thames Estuary to "create jobs, build new homes, and boost local economic growth." The announcements were made in a [government response](#) to the [Thames Estuary 2050 growth commission report](#). Among the details of the growth deal include:
 - **strengthening governance:** Creating a new £1m strategic board, chaired by an independent Thames Estuary Envoy, which will support delivery of the vision and champion the Thames Estuary with key stakeholders, including local and central government;
 - **strengthening ministerial advocacy:** Creating a new cabinet-level ministerial champion for the Thames Estuary who will act as an advocate and critical friend for the Thames Estuary within government;
 - **delivering homes:** Exploring ambitious housing and infrastructure deals with authorities in the Estuary and committing to exploring the potential for at least two new locally-led development corporations. We will work collaboratively with places to create thriving communities where people want to live and work, to deliver high-quality, popular and well-designed places to live;
 - **improving mobility and infrastructure:** Continuing to progress at pace with transport infrastructure investment in the Estuary, including investing around £200m of Local Growth Fund, £125m on improvements to the strategic road network at Bean and Ebbsfleet, and multi-billion-pound investments in the Lower Thames Crossing and the Elizabeth Line;
 - **addressing the low skills challenge:** We are funding regional labour market analysis into the Estuary to inform both national and local policy objectives for skills in relation to labour markets; we will also seek to support and enhance existing local arrangements for raising skills levels through our nationwide reforms; and
 - **environmental:** To bring together relevant authorities to collaborate on the Thames Estuary 2100 Plan actions required to make sure that growth in the Estuary is sustainable and resilient.
- ## Reports and publications – professional bodies/think-tanks/other:
- The **Nuclear Decommissioning Authority** published the [outcome](#) of its consultation on its 2019–2022 draft business plan.
 - The **Confederation of British Industry (CBI)** published its report [Creating effective public-private partnerships post-Brexit](#) laying out its recommendations to ensure that public-private partnerships deliver the high-quality public services and infrastructure that the UK needs. **Among the recommendations in the report are:**

The European market for public contracts:

 - government should seek to maintain as much access to the European market for public contracts as possible and should avoid significant divergence from the current EU regime;
 - government should avoid a GPA-only approach to public procurement post-Brexit, or in a no-deal scenario, as this is viewed as inadequate by UK businesses.

Untapped opportunities to improve public procurement:

 - the Cabinet Office should develop further guidance and case studies for public sector buyers which demonstrate how to look beyond cost in public sector tenders;

- government should work closely with business, and other key stakeholders, as it creates and rolls out the social value framework for public contracts in early 2019;
- pre-market engagement should become mandatory for larger or complex contracts;
- for larger and more complex contracts, public sector commissioners should also be required to report in detail on the specific pre-market engagement activities that have been undertaken; and
- public sector agencies should evaluate current pre-qualification processes, framework agreements and standard forms of contract to identify opportunities to strip out unnecessary complexity.

Applying the current rules more effectively:

- government should continue investing in improving its commercial capability, not just within central government departments, but across the wider public sector;
- for more complex contracts, government should look to form more multidisciplinary project teams to oversee the end-to-end delivery of key projects;
- to ensure that public sector commissioners are able to respond to the changing external environment, government should look to design in more flexibility to public contracts;
- government should look to identify and eradicate contract terms which enable onerous levels of risk to be transferred to suppliers and should provide procurement teams with more clarity as to how to apply the procurement rules to a variety of contracts; and
- for more complex contracts, commissioners should be required to report on the procurement procedure they have selected and outline the reasons for making this selection.

Reducing complexity post-Brexit:

- government should look to adopt a simpler form of OJEU notice as part of the new UK e-notification service which will replace TED post-Brexit;
- government should look to expand the requirement for two stage tenders to a wider range of contracts; and
- in the longer-term, government should re-evaluate the current financial threshold above which the OJEU process applies.

Creating a more effective remedies regime:

- government should look at making the time limits for bringing a legal challenge more consistent and consider making all time limits 90 days;

- the Cabinet Office should take steps to bolster the remit of its new PPRS, including giving it more power to ensure its rulings are adopted, particularly for lower value cases; and finally
- government should pilot a public procurement tribunal to evaluate whether this approach could help support a fairer and more effective procurement system.

■ The **Sutton Trust** published [survey results](#) on parents' attitudes towards apprenticeships.

■ The **Adam Smith Institute** published a [paper](#) on reforming the railways.

■ The **Federation of Master Builders** published [survey research](#) on parents preferring their children to do an apprenticeship rather than a degree.

■ The **NAO** published a [report](#) on reforming the civilian workforce which examines the Ministry of Defence's approach to reforming its civilian workforce to meet its current and future defence objectives, and its progress against the workforce commitments set out in the strategic defence and security review 2015. The **NAO** also published reports on [regulation across utilities, communications, and financial services](#) and on the [Progress of the 2016–2021 national cyber security programme](#).

■ The **Office for Students** published a [briefing paper](#) on degree apprenticeships.

■ The **Health Foundation** published a [briefing](#) on investment in NHS infrastructure.

■ The **Institute of Economic Affairs (IEA)** has published a [briefing paper](#) on junk food.

■ The **Institute for Government (IfG)** published its [report](#) on managing migration after Brexit.

■ The **Centre for Policy Studies** published a report [A budget for no deal: How to stabilise and stimulate the economy in the wake of a no-deal Brexit](#).

■ The **Joseph Rowntree Foundation** published its [report](#) on working families and benefits freezes.

■ The **Railway Industry Association** published a [report](#) on cost effective electrification.

■ The **Resolution Foundation** published its report [Pick up the pace](#) on progress in raising people's qualifications and skills.

■ The **Institute for Government (IfG)** published a report [The Brexit Effect: How government has changed since the EU referendum](#).

Reports, publications, events and activity from the world of project management:

- Call for papers: Trust and governance in megaprojects special issue for *International Journal of Project Management (IJPM)*. [Click here](#) for more information.
- Reminder: IPMA Research Conference 2019 call for papers deadline – 15 April [click here](#) for more information.
- For news from IPMA Council of Delegates (CoD) Copenhagen, Denmark, 31 March 2019, read more [here](#).
- Major Projects Knowledge Hub Live Event: The Challenge of Decommissioning – 30 April 2019, [click here](#) for further details.
- PMI Pulse of the Profession 2019 report – [click here](#) to read more.
- PMI EMEA Congress 2019, Dublin 13–15 May 2019. More information can be found [here](#).
- 5th IPMA SENET Project Management Conference – Challenges of Growing Economies, 19–21 May 2019, [click here](#) for more information.

APM events/research and policy outputs:

- APM [Salary and market trends report 2019](#) now published.
- [Project management for large complex projects: an expert report](#) by Professor Andrew Davies (UCL). [Click here](#) for a blog on the report.
- New [APM Research Summaries](#) were published in this period across a range of topics including: *Learning best project management practice from history: Florence Duomo project (1420–1436)* and *Organisational design for managing multiple projects*.

APM forthcoming:

- APM's research fund report on *Leadership: Responding to complexity* will be published on 24 April 2019.
- [APM Conference London](#) happening on 2 May 2019. [Click here](#) for full details and to book.