



SOUTHAMPTON
CITY COUNCIL

Internal Audit Report

GRTH - Studio 144

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Version: Final.

Dated: 6th February 2018

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Approved by Chief Internal Auditor, Elizabeth Goodwin:

Executive Summary

Introduction

The Studio 144 or Southampton's New Art Complex (SNAC) capital project has been on-going since 2000 following successful funding from the Art Council of £5m. In partnership with other bodies, such as John Hansard Gallery and City Eye, the project was developed to create a multi-use building funded by a variety of schemes such as grants, donations and capital funding. The initial projected cost was determined as between £10-15m, however as at September 2017, this has increased by £16.5m to an approximate cost of £30m. It has also experienced numerous delays, with an original completion date of 2012 and following various revised completion dates is due to be completed in October 2017.

The s151 Officer requested in July 2017, that Internal Audit undertook a review of the project, to identify the main causal factors for the escalation in costs and delays and to gain assurances that the governance framework for decision making had been appropriately implemented throughout the lifetime of the project. This included that accurate feasibility assessments, including financial viability had also been undertaken. A further objective was to enable the Authority to identify and learn from any failings thereby ensuring that similar issues are not encountered on any future projects of a similar size or nature.

Main Findings throughout Project Lifecycle

The main observations from this review are noted below and chronology of the actions and key events are included in Appendix A. It should be noted that the Authority did not hold a chronology of events and key decisions, although the project has spanned 17 years. For this review Internal Audit was provided with access to the 'Arts Complex' folder on the 'K' drive, which contained in excess of 1400 folders and 15,000 files for Studio 144. All key documents used are listed in Appendix B.

Stage 1 - Conception and Initiation

The project's inception came about in 2000 as an idea to redevelop the Tyrell and Greens site into a cultural quarter. Based on this date, the project has been ongoing, at various stages, for 17 years and as a result, a number of key senior officers involved in the project have either departed from the Authority or have changed role.

As indicated above, due to this length of time, it has been difficult to source and evidence elements of the project which may have assisted in obtaining clarity and conciseness around some of the more substantial decisions which have occurred.

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For example only one feasibility study has been sourced which dates back to 2000, no other assessments appear to have been undertaken and therefore it is difficult to evidence how significant changes to both the local and national environments had been identified along with their impact on the project's viability. As the project did not commence its next stage until 2007 a further feasibility study should have been undertaken, where elements such as potential revised costs, funding and delivery models would have been reconsidered.

The original concept of the project has not changed along with the political motivation and drive to see the project succeed, however for future projects the authority should always re-examine feasibility and other viability assessments in order to understand any changing risk exposure and enable it to therefore respond accordingly and make informed decisions. As a consequence of an out of date study the Authority did not appear to have detailed information on the impact of changes in scope and design which may have ultimately resulted in the Authority incurring additional costs that may have, if known from the outset, changed the decision to proceed with this project in the first place.

Stage 2 - Definition and Planning

During the planning stage, a decision was made for the project to be split into 3 separate areas (the date of this is unknown), development, design and fit out. The motivation for why this path was proposed has not been evidenced and whilst projects can be planned for delivery in this way there are issues that may arise that have a fundamental outcome of derailing a projects implementation, particularly if there is weak project oversight and management at an operational level. For this project this issue was realised, as delays from the previous contractors, then impacted on the future contractors. Attempts were made to manage this risk for the design and fit out by the use of the 'iese' framework (construction collaboration) which allows two contractors to work together during the design phase, however the results shown in the latest Contract Administrator report (July2017) indicate that this approach did not manage the risk as further delays and costs have occurred.

Projects can suffer if multiple stakeholders are not engaged or the expectations and communications are not robustly managed. Changes in key staff, inexperienced staff, or a protracted project period are all factors that can and possibly did contribute to this. No judgement has been made as to whether the original specifications for each element were clear or accurate and although project initiation documents (PID's) have been sighted and were periodically updated, there is no evidence of a risk assessments as part of the PID's, that if carried out would have considered amongst other areas the planning & financial options available and palatable to the Authority.

In addition to this lack of documentation, a significant amount of knowledge on the project stages and timings including the rational surrounding decision making has been lost with those officers that have departed. While this has impacted on the review

undertaken by Internal Audit, it is worth noting that the issue of data/information transfer may also have had an impact on the officers during the project lifetime and those now currently involved with managing the project.

Stage 3 - Execution

In April 2007, a development agreement was signed with City Lofts and a Project Initiation Document (PID) was evidenced showing a budget of £13.5m, however this company went into receivership in the summer of 2009, following the Economic Crisis in 2008. In October 2010, a development agreement was then signed with Grosvenor. A November 2011 PID showed a budget of £21.1m however there was no reference or information relating to the increase in budget.

In November 2011, a tender exercise was undertaken for the build of the site and the tenders received were in excess of the original tender amount. The lowest tender was approximately £2.6m above the tender value. Value engineering was therefore conducted with the developer to reduce the costs which resulted in some design changes and a reduction in the profit margin for the developer. The contract was awarded to Galiford Try in 2015. It is not clear from records why award of the tender spanned 4 years.

Throughout the project history, Internal Audit has been able to evidence that Project Governance has been constant with the existence of a project board. While reviewing the board and subsequent minutes, which were available, it would appear that the officers, who sat on the board and or contributed to it, were of an appropriate senior level within the Authority. However, Internal Audit is not able to comment on whether these current and historic officers had or have the relevant skills/experience required to manage and facilitate a project of this size. It has also been evidenced that the Project Board has obtained suitable authorisation for increases in the required budget however these were requested as baseline figures and did not include a comprehensive financial breakdown as to what the increase was for.

Stage 4 - Performance and Control

The project has suffered a significant increase in budget throughout its lifecycle. The initial PID dated August 2007 outlined a budget of £13.5m, however the latest PID, dated 2015 shows a budget of £25.6m. As at the current time, August 2017, the budget stands at £30m. As noted above, budget increases were agreed by Full Council however comprehensive details as to what has caused these increases have not been able to be evidenced in the PIDS or via any separate financial documents. While it is known

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that the Economic Crisis of 2008 caused significant financial issues within the construction industry, it is not clear how much of an impact this event had on the project budget as a whole.

In addition to the budgetary changes, there have been changes in the funding streams of the project, some of which have also impacted on the design of the building. The key example being that when additional funding was sourced via the Arts Council, it came with conditions which meant alterations were needed to the design of the buildings. Internal Audit was not able to evidence any documentation regarding any decision making and risk/financial assessments on incorporating these changes.

Fundraising was another finance scheme used to help fund the project. The Authority set an initial target of £1.6m in August 2007 based on a fundraising feasibility study conducted by the University of Southampton in August 2004 which gave a conclusion that "there is good market evidence to suggest that it is feasible to raise £1.5m". Fundraising was undertaken by the Southampton Cultural Trust, which was a trust setup by SCC, and any shortfalls in fundraising were underwritten by SCC. The target was then increased in November 2010 to £2.1m but there was no evidence to suggest why the increase occurred, other than the budget of the project had increased. As at August 2017, fundraising has raised £350k. No evidence has been sighted which has reviewed the fundraising shortfall and what factors contributed to it. Should the Authority wish to fundraise for capital projects in the future, a study as to why the shortfall occurred would be advisable.

From our review it is apparent that the Authority in its desires to conclude the project, accepted the varying and substantial increase in costs. A shorter project lifetime, continuity in staff and a robust project management may well have enabled the Authority to effectively manage the financial risks and still achieve the desired outcomes.

Stage 5 - Project Close

The project is yet to be formally completed and there are residual issues relating to the Independent Quantity Surveyors (QS) report and outstanding claims with the Contract Administrator. At the time of the last QS Report (July 2017) there was a potential for an additional £4.4m to be added to the 'fit out' contractual sum. This figure will likely fluctuate once the Contract Administrator makes a decision on the claims made against the Authority by the contractor.

The Contract Administrator is responsible for investigating and deciding whether the Authority or the contractor is liable for the additional costs which have been highlighted in the Quantity Surveyors report. These costs are changes to the contracted work and the circumstances surrounding the change will determine who is liable. An example being that if the Authority delays the contractor

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from conducting the work scheduled for a certain period, the Authority becomes liable to cover the costs the contractor has borne as a result of the delay.

One future area for consideration in relation to the QS report is for the Authority to conduct a full review of the final QS report with the aim of identifying the reason for any contractual changes. Evidenced via discussions with key staff, it has been established that there are 3 main reasons for contractual changes during the fit out; Snagging, Stakeholder changes and Design deficiencies.

At the current time, it is not possible for the Authority to accurately know which of those 3 factors has had the most significant impact on the contract sum. By completing a post QS report review, the Authority would be able to establish whether, for example, the design was not adequate which resulted in an unacceptable level of contractual changes and or excessive snagging issues were highlighted as a result of poor construction/fit out.

Conclusion:

In conclusion, whilst there have been numerous issues all creating a domino effect, the main contributing factor is the length of time of this project from conception to completion. Conversely, while some external factors could not be predicted i.e the Economic Crisis, had further information been collected and analysed at the relevant times, a greater level of information would have been available to aid in any decision making which occurred. However, throughout the review it has not been possible to evidence the decision making processes and the parties involved in them. In addition, continuity of key staff and a detailed project timeline could have mitigated issues caused by the time delays.

Objectives and Scope of the Review

This report outlines the findings from that review and highlights any exceptions considered appropriate.

The objectives of the audit were to ensure that:

Achievement of organisation's strategic objectives

- To ensure a suitable project governance structure was in place for the Studio 144 Project.
- To ensure all major decisions are justifiable with documentary evidence and have been suitably approved by the delegated parties/officers.

Safeguarding of Assets

- To ensure accurate feasibility reviews were conducted prior to the commencement of the project

Effectiveness of Operations

- To review the chronology of the project and identify any areas of concern which may have contributed to the delays and costing of the project.

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ISS.1 - SCC1718-048 - Studio 144 - Feasibility - Stage 2 - Definition and Planning

Priority Level

High Risk

Exception

Testing highlighted that a project feasibility study was conducted at the very inception of the project, dated 2000. Since that date, multiple changes have occurred to the project and it is Internal Audit's understanding that no further feasibility studies were undertaken to account for the changes. In addition, it has not been possible to evidence financial feasibility studies that have been undertaken at stages when the project has changed significantly.

Due to the time lapse since the original feasibility and current stage, the data and information within that study would no longer be relevant. With the time lapse and the changes, it would have been prudent to consider further feasibility studies to consider whether the project was to continue based on the changes.

To add context to this finding, the Financial Crisis occurred both nationally and globally in 2007-08 which had a significant impact on the construction industry throughout the subsequent years. As a result, the original developer, City Lofts, went into receivership in 2009 and a new Developer was procured in Grosvenor. Subsequently, the tenders received were then a minimum of £2.6m over the expected cost.

Without an up to date study on both operational and financial feasibility, no assurance can be placed on the findings of those studies. As such, the project may have continued and decisions made on data/information which was no longer current or accurate.

Risks and Consequences

Financial, operational and reputational risks may all occur with ultimate project failure or an end product that neither meets the needs or expectations of stakeholders involved.

Agreed Action

Please see action plan on page 22

Person Responsible / Action by Date

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ISS.2 - SCC1718-048 - Studio 144 - Project Setup - Stage 2 - Definition and Planning

Priority Level

High Risk

Exception

The Studio 144 project was split and procured into 3 distinct stages. These were the development and shell building creation, the design of the building interior and lastly, the fit out of the building.

Due to this approach, the Council has procured 3 different contractors for each element. It is understood this decision was made due to the complexity of the project however no internal meeting minutes or documents have been able to evidence this decision making process.

As a result of this approach, SCC has had to manage 3 separate contractors which have resulted in issues regarding delays and complexities relating to the project. Example being that when one contractor is significantly delayed, then this resulted in a domino effect on the next contractor. In addition, there were instances where the proceeding contractor raised issues regarding the quality of the work undertaken by the previous contractor, such as construction or design of the building, example being the placement of electrical points. At all times the Authority has been responsible for facilitating a suitable resolution between the contractors. .

The IESE contract framework was used as a way to minimise the issues that could occur when using different contractors to design and then fit out the building, however based on the significant changes outlined within the latest Quantity Surveyors report (July 2017) this approach does not appear to have reduced the risk of snagging and or design changes, with the ultimate responsibly residing with the Authority to resolve.

The split procurement resulted in the management of the 3 different contractors throughout the project. This has resulted in the need for increase stakeholder management and cost which has been exasperated by the significant delays and complexities which have arisen during this project.

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Risks and Consequences

Financial, operational and reputational risks may all occur with ultimate project failure or an end product that neither meets the needs or expectations of stakeholders involved.

Agreed Action	Person Responsible / Action by Date
Please see action plan on page 22	

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ISS.3 - SCC1718-048 - Studio 144 - Project Lifespan - Stage 1 Conception and Initiation

Priority Level

High Risk

Exception

The initial inception of the project started in 2000 and Full Council approval for the project was gained in 2007. A development agreement with the contractor Grosvenor was then signed in 2010. As at September 2017, the project has yet to be completed with a revised date of October 2017.

Across this time there have been multiple changes in officer involvement, council structure and other stakeholders. Due to the significant timeframe of the project, issues have arisen relating to lost knowledge and the location of documentation. A detailed project timeline and document management may have limited the impact of this. In addition, the economic environment has changed significantly throughout this timeframe which will have altered the financial feasibility of the project however as noted previously, it is not clear if financial feasibility studies (other than one re fundraising targets) were conducted. This was highlighted by the original Developer, City Lofts, going into receivership in 2009 and a new developer needing to be procured.

With a project spanning such a long timeframe, multiple changes in both the external and internal environment have occurred which will have added a lack of continuity of the project ownership. As such this has presented issues such as loss of staff knowledge and documentation relating to the project. This may have then affected subsequent decision making.

Risks and Consequences

Financial, operational and reputational risks may all occur with ultimate project failure or an end product that neither meets the needs or expectations of stakeholders involved.

Agreed Action

Please see action plan on page 22

Person Responsible / Action by Date

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ISS.4 - SCC1718-048 - Studio 144 - Financial Changes - Stage 4 - Performance and Control

Priority Level

High Risk

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Exception

Throughout the project there have been a number of significant financial changes. The earliest Project Initiation Document (PID) dated August 2007 outlined a budget of £13.5m and the latest PID dated June 2015 shows a budget of £25.6m. As at September 2017 it is expected the project will have a total cost of approximately £30m. Testing established that the PID's that have been evidenced do not specifically state the reasoning for the budget changes since the previous document, therefore it is not clear what has changed to outline the significant budget change.

It is understood that the tender for the development of the site was significantly lower than the bids received with the lowest bid exceeding the tender by £2.6m.

In addition, the original funding granted by the Arts Council was increased by £1.5m in 2010 however the increase came with different requirements for the building which would have affected potential designs and costings. As noted above, no further feasibility studies were undertaken following these changes.

The original level of fundraising was set at £1.6m in August 2007 and increased to £2.1m in November 2010. A feasibility study conducted by the University of Southampton in August 2004 gave a conclusion "there is good market evidence to suggest that it is feasible to raise the £1.5m required in the 3 year time frame." As previously noted, the Financial Crisis of 2007/08 would have likely affected this study but no further feasibility studies into the achievement of fundraising was conducted.

The fundraising was managed by the Southampton Cultural Trust, which is a charity created by SCC, and as at July 2017, approximately £350k has been raised. The Authority decided to underwrite the fundraising target amount and has therefore resulted in the increase payment of £1.8m towards the project.

It is understood that professional fundraising staff were appointed for this project however it is our understanding that difficulties were faced in fundraising for a project which had already secured substantial funding from the Council and the Arts Council. No evidence has been sighted which has reviewed the fundraising shortfall and what factors contributed to it. Should the Authority wish to fundraise for capital projects in the future, a study as to why the shortfall occurred would be advisable.

The project has had significant increases in the budget from £13.5m to approximately £30m prior to completion. While all increases have sought and acquired full council approval, the increased spend would have had a negative effect on the councils reserves.

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Risks and Consequences

Financial, operational and reputational risks may all occur with ultimate project failure or an end product that neither meets the needs or expectations of stakeholders involved.

Agreed Action

Person Responsible / Action by Date

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ISS.5 - SCC1718-048 - Studio 144 - Residual Issues - Stage 5 Project Close

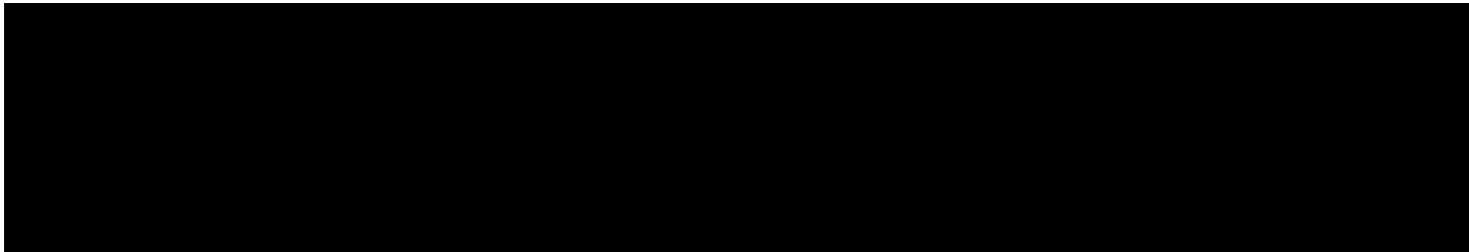
Priority Level

High Risk

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Exception

The delays incurred during the Studio 144 project are currently being investigated by the Contract Administrator. Depending on the decision of the Contract Administrator, SCC may also be liable for increase contract sums. Various factors have caused these delays and it is the responsibility of the Contract Administrator to investigate these to determine fault. For example:



The data is based on the Quantity Surveyors report dated 6th Jul 2017.

- Huntley Cartwright Quantity Surveyors:
- Contract Sum for fit out is stated as £12,660,398.36

- Omit from Account - £1,274,842.15
- Add to account - £4,414,595.49 (Includes £1,950,250 is possible further expenditure)

- Final Account Figure - £15,800,151.70
- Net increase of £3,139,753.34 (24.8%)

One future area for consideration in relation to the QS report is for the Authority to conduct a full review of the final QS report with the aim of identifying the reason for any contractual changes. Evidenced via discussions with key staff, it has been established that there is 3 main reasons for contractual changes during the fit out; Snagging, Stakeholder changes and Design deficiencies. At the current time, it is not possible for the Authority to accurately know which of those 3 factors has had the most significant impact on the contract sum. By completing a post QS report review, the Authority would be able to establish whether, for example, the design was not adequate which resulted in an unacceptable level of contractual changes and or excessive snagging issues were highlighted as a result of poor construction/fit out.

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Risks and Consequences

Financial, operational and reputational risks may all occur should the residual issues not be addressed. A lack of post project review would also limit the knowledge to be had in relation to lessons learnt and may then impact any future project decisions.

Agreed Action	Person Responsible / Action by Date
Please see action plan on page 22	

EXCEPTIONS

The following tables outline the exceptions from the recent audit and are reported in priority order. Internal Audit report regularly to the Governance Committee on findings and management actions. However, in accordance with agreed protocols, all critical exceptions are brought to the attention of the Committee.

Priority Level	Description
Critical Risk	Control weakness that could have a significant impact upon not only the system function or process objectives but also the achievement of the organisation's objectives in relation to: <ul style="list-style-type: none">▪ The efficient and effective use of resources▪ The safeguarding of assets▪ The preparation of reliable financial and operational information▪ Compliance with laws and regulations And corrective action needs to be taken immediately.
High Risk	Action needs to be taken to address significant control weaknesses but over a reasonable timeframe rather than immediately. These issues are not "show stopping" but are still important to ensure that controls can be relied upon for the effective performance of the service or function. If not addressed, they can, over time, become critical. An example of an important exception would be the introduction of controls to detect and prevent fraud.
Medium Risk	These are control weaknesses that may expose the system function or process to a key risk but the likelihood of the risk occurring is low.
Low Risk - Improvement	Very low risk exceptions or recommendations that are classed as improvements that are intended to help the service fine tune its control framework or improve service effectiveness and efficiency. An example of an improvement recommendation would be making changes to a filing system to improve the quality of the management trail.

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Appendix A

Date	Main points	Internal Audit Comments
May 2000	Feasibility Study by David Powell Associates	Operational Feasibility, not financial
21 st March 2007 Full Council	Approval for project to proceed.	
16 th April 2007 Cabinet	Approval for project to proceed and delegated management to Council Officers	
April 2007	City Lofts Sign development agreement	City Lofts engaged to carry out the building shell construction.
August 2007	Project Initiation Document drafted. Budget of £13.5m with completion date of 2012	No information as to why there is a delay from this date to Summer 2009
Summer 2009	City Lofts went into receivership	No assessment has been made by Internal Audit regarding due diligence checks on City Lofts
October 2010	Developer Agreement signed with Grosvenor for development of the site.	
November 2010	Project Initiation Document drafted. Budget of £21.1m with completion date of 2015	PID does not refer to previous edition and not clear on what has driven change in budget and no assumptions have been made.
November 2011	Tender exercise carried out, 3 contractors' submission with the lowest exceeded construction budget by £2.6m.	Value engineering occurred to reduce costs for the site development contract only.
December 2011	Glenn Howells procured under OJEU process to continue as design team leaders with consultants appointed through them.	
October 2012	Project Initiation Document revised, no fundamental changes. Budget of £21.1m with completion date of 2015	
12 th December 2012 Briefing Report by Barry Meering & Mike Harris	Briefing on 29/1/13 cabinet report, contains proposal of £160k ongoing grant to the Operating Company, alongside £160k from the Arts Council.	Main point not relevant to construction project. The Arts Council future funding is uncertain. Already funded £7.3m to build the complex.

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Date	Main points	Internal Audit Comments
29 th January 2013 Report to Cabinet, by Mike Harris	Seeking authority to conclude the organisational structure to progress the project, specifically around set up of a Holding Company and Operating Company.	Relevant point as this contributed to delays.
1 st May 2013 Cabinet Report	Apparently noted delays in the development agreement with Grosvenor and potential increase in inflationary cost of £200k	This report is noted in the 23 rd Jan 14 briefing.
23 rd January 2014 Briefing Report by Mike Harris	Predicted expenditure from £900k contingency budget, predicted to overspend by £142k i.e. £1,042 in total.	Evidence of reporting to members.
March 2014	Project Initiation Document drafted. Budget of £21.1m with completion date of 2016	
June 2015	Project Initiation Document drafted. Budget of £25.6m with completion date of 2016	New PID does not reference change in budgetary figure from last PID issued, therefore unclear why increase occurred.
15 th July 2015 Full Council	Request for additional funding of £1,959,000 for fit out of Arts Complex bringing total budget to £25,109,000	
20 th July 2016 - General Fund Capital Outturn	Fundraising shortfall identified of £1.8m. Council had agreed to underwrite the fundraising target of £2.1m. Shortfall funded from Capital Grants (£1.5m), Misc capital contributions (£0.15m) and capital receipts (£0.10m)	Unclear throughout reasoning for the delays.
July 2017	Advised the project is due to be completed September 2017 with a projected cost of £30.1m	

Appendix B

Key Documents received:

- Contract Documents - Grosvenor, Glen Howells, Galiford Try, Huntley Cartwright
- Arts Council Funding Agreement Feb 2017
- Full Council minutes relating to Studio 144 Funding
- University of Southampton Feasibility Study re SNAC Fundraising
- iESE Contract Framework documentation
- Quantity Surveyors Report dated July 2017
- Various Project Initiation Documents dated 2007, 2010, 2012, 2014, 2015
- Project Costing timeline dated May 2000 - July 2017
- Internal Audit has also had access to the Arts Complex folder on the K: drive. This folder contains 1,414 sub folders and 15,809 files.

Key Officers who have provided information and knowledge:

- Mike Harris - Service Director Growth
- Jill Low - Client Team Leader Arts Complex
- Luke Farren - Commercial Controller
- Edmund Ellert - Architect Section Manager

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Management Response/Action Plan

There were 5 risks identified in the report, which are identified below

<i>Project stage</i>	<i>Risks & consequences identified</i>
<i>ISS.1 - SCC1718-048 - Studio 144 - Feasibility - Stage 2 - Definition and Planning</i>	Financial, operational and reputational risks may all occur with ultimate project failure or an end product that neither meets the needs or expectations of stakeholders involved
<i>ISS.2 - SCC1718-048 - Studio 144 - Project Setup - Stage 2 - Definition and Planning</i>	Financial, operational and reputational risks may all occur with ultimate project failure or an end product that neither meets the needs or expectations of stakeholders involved
<i>ISS.3 - SCC1718-048 - Studio 144 - Project Lifespan - Stage 1 Conception and Initiation</i>	Financial, operational and reputational risks may all occur with ultimate project failure or an end product that neither meets the needs or expectations of stakeholders involved
<i>ISS.4 - SCC1718-048 - Studio 144 - Financial Changes - Stage 4 - Performance and Control</i>	Financial, operational and reputational risks may all occur with ultimate project failure or an end product that neither meets the needs or expectations of stakeholders involved
<i>ISS.5 - SCC1718-048 - Studio 144 - Residual Issues - Stage 5 Project Close</i>	Financial, operational and reputational risks may all occur should the residual issues not be addressed. A lack of post project review would also limit the knowledge to be had in relation to lessons learnt and may then impact any future project decisions.

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The Council has, during the lifetime of the project, made some significant changes to how Capital resources are allocated and managed:

- The Capital Assets team has been created, consolidating teams from across the Council, and more recently Capita, that work on property projects. Previously commercial arrangements, design development and project management have been dealt with in separate teams. Whilst matrix management is not an unusual approach, it can lead to inconsistency both in project management, financial reporting, but also project administration and filing. These are challenges raised within the report and should be addressed by this cohesive team. Significant issues have arisen from the risk transfer in the separate 'Shell and Core' and 'Fit out' contractual arrangements. Any projects that could feasibly be delivered in this manner, will have substantial risk allocation reviews as part of a cohesive project development process
- Capital Board has been established to provide corporate governance on the management of the capital programme and political input to the process. Greater visibility of decisions, within the senior leadership of the Council has been enabled by this.

In addition, following a review of the report, the following specific steps are proposed:

Action	Custodian	Adherence responsibility	Timeframe for implementation
New project management process and procedures will be devised and implemented	Programme Management Office	Project team	April 2018
Gateway reviews will be required on all major capital projects. These will review the status and continue viability of projects at key milestone events, for example Project Initiation Document, procurement	Programme Management Office	Project Board	May 2018

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A project timeline is to be updated throughout the lifecycle of projects detailing key events, decisions, changes etc	Programme Management Office	Project Manager	BAU
Projects will have a clear and defined filing structure and files follow a nominated naming convention	Programme Management Office	Project Manager	April 2018
Projects which have not progressed or started for over a year will need to revisit the original business case/feasibility before continuing. Annual reviews of the projects included on the capital programme will also be undertaken.	Programme Management Office	Council Management Team	June 2018
Projects will be required to document and retain clear evidence on the process followed and information reviewed when significant decision making occurs	Programme Management Office	Project Manager	April 2018
Conduct review of final QS report	Capital Assets	Capital Assets	Within 3 months of receipt of final report