



Report to: Audit and Governance Committee, 18th September 2019

Report of: Head of Internal Audit Shared Service, Worcestershire Internal Audit Shared Service

Subject: SANSOME WALK DECOMMISSIONING LESSONS LEARNT

1. Recommendation

1.1 The Committee note the report.

2. Background

2.1 To report on lessons learnt from the decommissioning of Sansome Walk Swimming Pool project.

2.2 During the 20th March 2019 meeting of the Audit and Governance Committee a paper was presented by the Deputy Director – Governance and Monitoring Officer which, in part, requested the internal audit service undertake a lessons learnt review of Sansome Walk Swimming Pool decommissioning project. This request cited a number of potential areas for consideration as part of the review.

3. Governance Issues

3.1 In view of the fact that the Council is expecting to deliver a number of significant capital projects in the next period, the work was undertaken as a priority during quarter 1 of 2019/20 municipal year. Areas taken into consideration as part of the review included the implications of decommissioning, project budget and mechanisms for reviewing, risk management, appointment of specialist providers and best practice procurement for construction services. The review approach was an over-arching view of the project as a whole, rather than majoring on specific areas.

3.2 There were a number of areas of learning identified e.g. project focus, risk management, project scope, housekeeping, business continuity and project involvement, which have been acknowledged and are included at Appendix 1.

3.3 The review identified although there had been regular inspections of the building during the time it was operational and open to the public these would have not been sufficiently detailed to unearth the deep fabric of the building and the real extent of the asbestos contamination present. This became apparent when a more intrusive inspection was commissioned. It should be noted that the audit review was process focussed and due to the specialist nature of asbestos removal the audit team were not in a position to comment on the adequacy of original specifications drawn up in regard to the asbestos removal.

3.4 Reports show that the decision to decommission Sansome Walk was viewed as an inevitable consequence of the decision to construct a new facility at Perdiswell, but that the decommissioning implications were not fully reported as part of the overall swimming pool project or budget. While the failing condition of the site appeared in the reports to add weight to the Perdiswell preferred option, the detailed options appraisal work and the reports which followed it were principally focused on the development opportunities afforded at the Perdiswell site. However, any use, refurbishment or disposal decision of the Sansome Walk site would have encountered the same issues that the Authority is faced with now; the use of asbestos as a building material in the site was well understood within the Council and common for buildings of its age. This is a consideration in itself for future projects of a similar nature.

4. Current Position

4.1 Although there were some clear lessons to be learnt from the Sansome Walk decommissioning, through continuous improvement there have been a number of improvements implemented to strengthen project management. Key changes have included, establishment of a project management team, project gateway assessments, establishment of an asset management strategy, a process for seeking amendments to project budgets and the establishment of the an in house team to directly manage Council assets. These changes will help to ensure the Authority is in a stronger position to continue to achieve successful project outcomes. The report findings have been considered by CLT as well as the Leadership Group.

5. Appendices

5.1 **Appendix 1** provides the report with the lessons learnt along with management comment.

5.2 **Appendix 2** (Legal Advice) contains exempt information and is set out in the report in the confidential part of the agenda.

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Background Papers:	None