The BBC’s management of three major estate projects

Methodology
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This report examined the BBC’s management of three estates projects and whether they are being delivered in line with the expectations at the time the commitment of resources was approved. We compared the BBC’s approach to managing the three projects against a framework of industry good practice.

The detailed elements of our methodology were:

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<th>Selected method</th>
<th>Purpose</th>
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<tr>
<td>1 Developing the NAO good practice framework</td>
<td>To test the robustness of the BBC’s asset procurement and management approach in each of its three programmes.</td>
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We developed a framework of good practice by drawing on existing guidance and established frameworks for managing large capital projects and maturity models for asset management strategies.

Specific sources reviewed include:

- A Framework for evaluating the implementation of Private Finance Initiative projects (NAO, 2006).
- Asset management toolkit (PricewaterhouseCoopers LLP, 2008).
- Property Asset Management Capability Assessment Model (NAO and OGC, 2009).
- Relocation matrix (Deloitte, 2009).

We then constructed 200 auditable questions that covered the following areas:

**Developing robust business cases:**

- Defining business needs
- Appraising options
- Developing business cases

**Managing the projects effectively:**

- Establishing governance structures
- Resourcing the project
- Managing the programmes
2 Methodology The BBC’s management of three major estate projects

## Selected method
ARUP were our consultants on this study.

## Purpose
We engaged external consultants to:
- Validate the appropriateness of our good practice framework and review our conclusions.

## Fieldwork
The fieldwork for this report took place between June and September 2009 and involved:
- To collect evidence on whether the BBC has followed good practice in managing its estate programme.

### 2.1 Semi-structured interviews with senior BBC staff
Interviewees were chosen on the basis of their knowledge of the project.
- To gain a user understanding of the facilities both in terms of the accommodation and technology.
- To get answers to the relevant questions posed in our good practice framework.

We interviewed senior BBC individuals including:
- Deputy Director General
- Chief Operating Officer
- Director Property
- Chief Executive Worldwide
- Project Director for Broadcasting House (Phase 2) and Salford Quays
- Director BBC Scotland

We interviewed a further 32 staff associated with the three projects including Heads of Finance, Technology, Operations, Media management, BBC People and Programme Directors. In addition, we interviewed the Trade Unions.

### 2.2 Review of key documents
We carried out an extensive review of relevant BBC documents including:
- To gain key information in areas of our good practice framework.

- BBC Trust and Corporate Finance papers
- Papers prepared by Internal Audit and BBC advisors
- Post evaluation report for Pacific Quay
- Papers relating to the BBC project development and management processes
- Minutes of Board meetings
- Monthly project reports
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<td><strong>2.3 Semi-structured interviews with BBC’s external stakeholders</strong></td>
<td>To obtain external views on how the projects are/were being handled by the BBC.</td>
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<td>We interviewed the following stakeholders:</td>
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<td>~ Land Securities Group (Broadcasting House and Pacific Quay)</td>
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<td>~ Peel Holdings Limited (Salford Quays)</td>
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<tr>
<td>~ Siemens (Pacific Quay and Salford Quays)</td>
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<tr>
<td>~ Bovis Lend Lease (Broadcasting House, Pacific Quay and Salford Quays)</td>
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<td><strong>2.4 Surveys of BBC staff</strong></td>
<td>To draw on views of BBC staff to help support conclusions reached from the interviews and document review. In particular we sought feedback on the extent to which staff were consulted and kept informed.</td>
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<td>The surveys content was developed by the NAO and distributed online to a sample of 40 BBC staff. 20 staff from Broadcasting House, 10 from Pacific Quay and 10 from Salford Quays.</td>
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<td><strong>2.5 Visits to project sites</strong></td>
<td>To get a first hand experience and better understanding of the BBC’s estate programmes.</td>
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<td>We visited Broadcasting House, Pacific Quay and Salford Quays and interviewed staff involved in delivering the projects.</td>
<td>To understand the scale of the buildings.</td>
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<td>To speak to the contractors.</td>
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