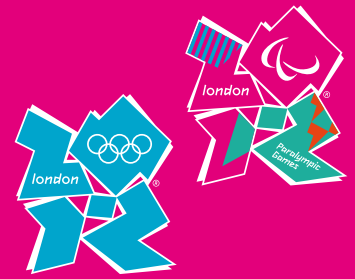


# Learning legacy



## Lessons learned from the London 2012 Games construction project

### Cost Report

Champion Products are examples of tools and formats used by the Olympic Delivery Authority (ODA) in executing its programme. The ODA is publishing these as part of its Learning Legacy in the anticipation that they may be of use to future projects seeking best practice examples of tools and templates that have been used successfully on a large, complex programme.

#### Purpose of the document, description and how it was used

The Cost Report provided a monthly update of the Anticipated Final Cost (AFC) of each project against its Current Baseline Budget (CBB).

Reports were completed by the Delivery Partner Commercial Leader with information presented at Tier One contract level, which could be further broken out to Tier Two contract level where this added clarity.

For each contract/line item the report presented:

- budget (current and movement from the original baseline);
- contract price (current and movement from the original award value);

- forecast price (based on anticipated variation to contracts plus an assessment of risk); and
- actual cost to date and forecast cost to go.

Anticipated variations were tracked through a 'Trends' process which separated potential issues into Acknowledged Trends (those which were known and well understood) and Unsubstantiated Trends (those which were emergent and less well defined).

Trend Reviews (or AFC Reviews for projects over 60 per cent complete) were held to interrogate delivery cost pressures and identify mitigation. These meetings involved project teams, programme controls, Delivery Partner executives, and ODA

Sponsors and assurance representatives. The Trends process ensured that senior management could quickly focus on the issues which were most likely to mitigate cost pressure (or secure delivery of cost opportunities).

The final, assured Cost Report incorporated any amendments required by these meetings before distribution to all key stakeholders as part of the Delivery Partner Progress Report.

#### Benefit to future projects

This Champion Product is presented as an example for other projects to use in reporting overall cost performance and budget status.

Download a sample spreadsheet.



MAYOR OF LONDON



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