Project Management Policy

1.   INTRODUCTION

Council has implemented a common project management framework that is to be used by all Council project managers to deliver successful projects.

2.   POLICY STATEMENT AND SCOPE

Council will provide the best outcomes to the community by ensuring consistent and successful project delivery by:

- making sure that all projects identified by Council are subjected to appropriate project management governance;
- providing a single corporate-wide framework, guiding users through the project management lifecycle, processes, activities, and documentation;
- undertaking projects that align to Council's strategic plans and are allocated the appropriate resources and funding; and
- Ensuring projects are only commenced after an appropriate level of due diligence has been undertaken, with a view to minimising risk and achieving the best use of Council's resources.

This Policy applies to all projects delivered by Council.

2.2 PROJECT MANAGEMENT

It is critical that Council is flexible and efficient in delivering projects within cost/budget estimates, to identified deadlines and undertake appropriate community and internal engagement.

Effective project management will enable Council to deliver community expectations and meet organisational critical success factors.

2.3 PROJECT MANAGEMENT GOVERNANCE

Projects will be managed utilising a three (3) tiered project management governance framework.

2.3.1   Project Management Governance Framework

Tier 1:   Standard Project Plan
Tier 2:   Detailed Project Plan
Tier 3:   Project Management Steering Group

The determination of the applicable tier of project management governance that will apply to a project will be determined by the completion and documentation of a Project Management Assessment (Project Charter).

2.3.2   When the Project Management Framework is to be used

A project is a unique set of processes consisting of coordinated and controlled activities with start and finish dates, undertaken to achieve an objective.

Examples of projects may include, but are not limited to design projects, construction projects, development of a significant plan or strategy, business improvement projects, systems implementation, and community events.

As a guide, projects are required to be managed in compliance with the project management framework if it meets one or more of the following criteria:

- All costs associated with the project are > $10k (all costs includes both costs that will be charged to the project (project cost estimate) plus other labour which will not be directly charged to the project but will be used on it for the entire life of the project).

- The project is identified as being high risk (and above) in nature.

- Requires a proposal (business case) to be prepared to obtain project funding (regardless of funding sources including grants).

- Dedicated project resources (people) are required from more than one department and/or external sources.

- The project would benefit from being managed in a structured manner through the project lifecycle (regardless of the project's budget, risks, timeframe, effort, resources and stakeholders) including projects which do not have direct costs or dedicated project budgets (e.g. business improvement projects).

Programme of work (highly repeatable activities that are undertaken each year such as maintenance tasks) shall also be managed as a project. Programmes can be dealt with in the framework in two ways:
- As a single project (or programme), managed as either:
  - Similar individual activities or tasks; or
  - An annual programme of work
- As separate individual projects.
Projects may be organised within programmes and project portfolios as shown below:
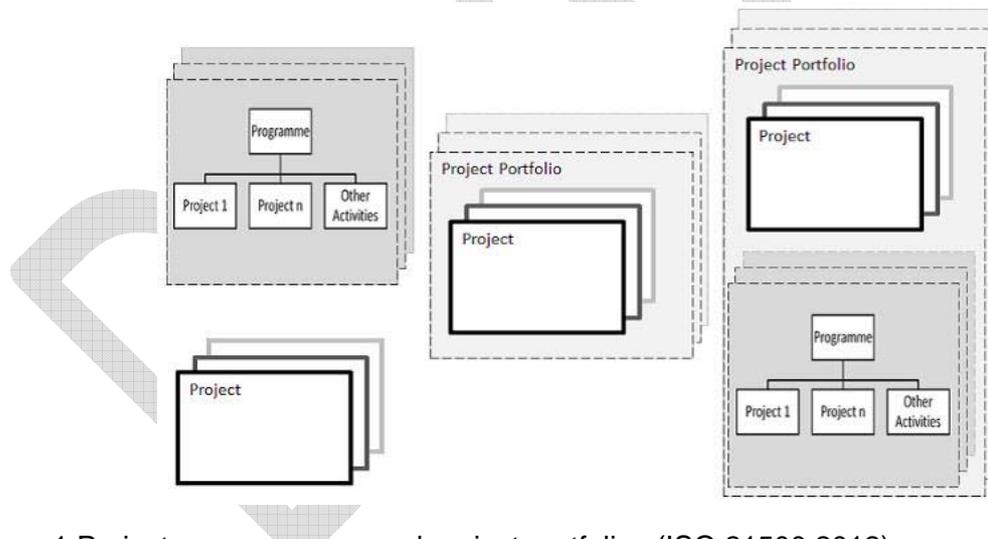

Figure 1 Projects, programmes and project portfolios (ISO 21500:2012)

Those projects that are interdependent or share critical resources must be managed as a single project or a single programme of work with a single dedicated Programme Manager.

2.4   Project Management Environment

The project management environment has a relationship to other processes within Council, these include (as shown below) Operations and strategy. Other processes that have a strong linkage include the Risk Management Framework, Procurement Framework and the Safety and Environmental system.
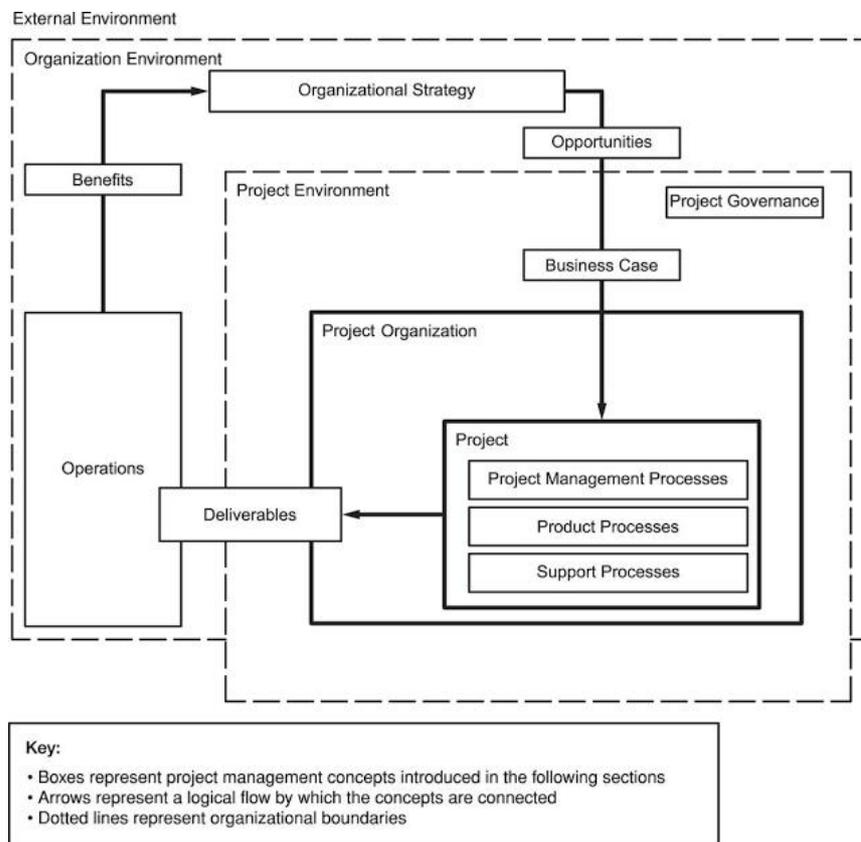
Figure 2 Project Management Environment (ISO 21500:2012)

2.5 Project Management Lifecycle

The Project Management Lifecycle requires projects to be managed through the following processes:

1. Initiation;
2. Planning;
3. Controlling
4. Implementing; and
5. Closing.

The management of a project starts with the initiating process and finishes with the closing process. The interdependency between processes requires the controlling process to interact with every other process as shown in Figure 3. Processes are seldom discrete or one-time in their application through the life of the project.
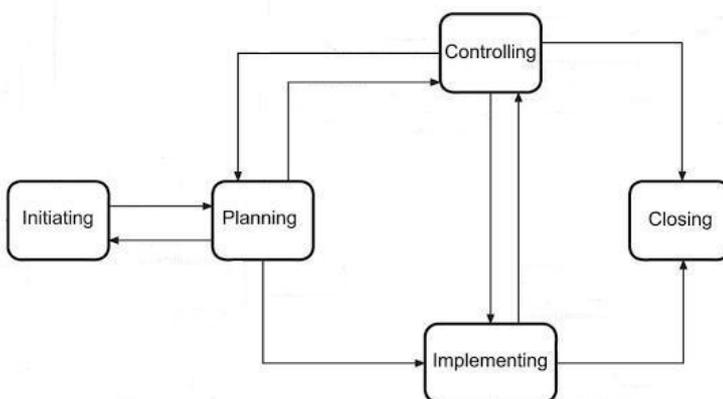

Figure 3: Process group interactions (ISO 21500:2012)

Subject groups that are required to be managed through the lifecycle processes include Integration, Stakeholders, Scope, Resource, Time, Cost, Risk, Quality, Procurement and Communication

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2.6 Mandatory Project Management Requirements

All projects will:
- Adhere to the Council Project Management Framework and be managed through the project management lifecycle.
- Have a direct link to an Operational Plan, Delivery plan or Asset plan. Exceptions to this will be approved by the General Manager and/ or responsible Director (delegations shall apply) only
- Have the documented Project Management Assessment/ Charter approved by the General Manager, responsible Director and/or Group Manager.
- Be subject to project assurance processes as appropriate to the scale and risk of the Project
- Have documentation managed in the corporate records management system (TRIM).
- Ensure project cost estimates contain financial contingency dependant on the level of accuracy of the estimate.
- Specify level and type of funding being sought and timeframe for the use of the funds when requesting additional or new funding from Council.
- Adhere to procurement processes.
- Be allocated (for capital projects only) a unique work order number/ general ledger (for financial budgeting and accounting purposes) and to be added to Council's assets register.
- Undertake post-completion report that will include an analysis of benefits realised, lessons learned and include a sign off on the quality and adequate completion. Project ledgers and work orders closed out.
- Have a designated Project Sponsor.

Project Sponsors will:
- Make themselves aware of their responsibilities of the role of Project Sponsor.
- Be accountable for the project benefits being realised and holds the responsibility and accountability for ensuring the project objectives are achieved.
- Align the project governance structure and processes with the Project Management Framework and undertake an orientation on project roles and responsibilities.
- Critique and if appropriate provide documented approval to the project for any foreseeable variation (this includes variation to project scope) to project cost and/ or project time greater than the approved tolerances.
- Where a foreseeable variation to project cost over and above the approved Council budget, becomes apparent, shall liaise with Finance to ensure that appropriate funding is located and Councillor approval is sought for change in funding as appropriate.
- Complete appropriate project over expenditure reports
- Ensure records of meeting minutes and project decisions are kept in TRIM.
- Ensure that when project sponsorship responsibility for projects change, a formal record of project sponsorship acceptance is gained and stored in TRIM.
- Designate a project manager that is trained in project management (at the appropriate level) prior to starting a project.

Project Managers will:
- Be trained in project management (as defined in the Project Management Framework Procedure) prior to starting a project.
- Be responsible and is accountable for the delivery of the project objectives as well as ensuring the management of the project adheres to this Policy.
- Ensure all subject groups are managed effectively (integration, stakeholder, scope, resource, time, cost, risk, quality, procurement and communication).
- Ensure project risks are articulated, the controls and risk treatment is monitored.
- Report the status of the project on a monthly basis to the project sponsor or more frequent as determined by the project sponsor.
- Provide the necessary information to the Project Sponsor so as to provide the Project Sponsor visibility and facilitate sound decision making.
- Gain documented Project Sponsor approval for any foreseeable variation (this includes variation to project scope) to project cost and/ or project time greater than the approved tolerances.
- Ensure that when responsibilities for projects and/ or project deliverables change a formal record of acceptance is stored in TRIM.

- Maintain project management documentation necessary to provide information for project assurance activities.
- Ensure records are managed as per the standard folder structure for projects in TRIM
- Shall ensure that appropriate project closure documentation is completed to enable asset capitalisation to occur, within 28 days of closing the project.

Project Team members will:
- Participate in the definition and estimation of work to be completed.
- Be responsible for the delivery of the project objectives as well as ensuring the management of the project adheres to this Policy.

Further information will be provided in the Project Management Framework Procedure.

3.   RESPONSIBILITIES AND AUTHORITIES

The following Council officers are responsible for the implementation of this Policy:
- General Manager.
- Directors.
- Group Manager Governance and Executive Services.

The following Council officers are responsible for the adherence to this Policy:
- General Manager.
- Directors.
- Group Managers.
- All Council staff.

4.   REFERENCES

- ISO 25100- Guidance on project management
- Local Government Act 1993.
- Capital Expenditure Guidelines – Division of Local Government (December 2010).

5.   DEFINITIONS

Council officer:	A member of Council staff.
Director:	2nd tier management position and titled as such.
General Manager:	1st tier management position and titled as such.
Group Manager:	3rd tier management position and titled as such.
Programme	A programme is generally a group of related projects and other activities aligned with strategic goals.
Programme Manager	The Council officer that holds the responsibility and is accountable for the delivery of the programme objectives as well as ensuring the management of the program adheres to this Policy
Project:	A unique set of processes consisting of coordinated and controlled activities with start and finish dates, undertaken to achieve an objective.
Project Manager:	The Council officer that holds the responsibility and is accountable for the delivery of the project objectives as well as ensuring the management of the project adheres to this Policy.
Project Sponsor:	The Council officer who is accountable for the project benefits being realised and holds the responsibility and accountability for ensuring the project objectives are achieved.

6.   PROCESS OWNER

Group Manager Governance and Executive Services

7.   AMENDMENTS

Supersedes the Project Management and Gateway Policy and Project Management Guidelines Policy.