

GREATER SHEPPARTON CITY COUNCIL

PROJECT MANAGEMENT POLICY

Adopted by Council:
Next Review:



COMMUNITY ENGAGEMENT POLICY

Code:	X.X
Version:	2.0
Business Unit:	Project Management Office
Responsible Officer:	Manager Projects
Approved By:	Chief Executive Officer
Adopted By:	
Next Review:	

DOCUMENT REVISIONS

Version #	Summary of Changes	Date Adopted

PURPOSE

Greater Shepparton City Council delivers a diverse range of Projects on behalf of the community and for the benefit of the community. Council has a responsibility to ensure that Projects are appropriately managed to achieve intended outcomes and with appropriate governance structures in place.

OBJECTIVE

1. To ensure consistency in the planning, delivery and governance across all Projects;
2. To provide high quality project outcomes that align with the project objectives confirmed by the Project Sponsor and current Council policies and strategic objectives;
3. To deliver value for money for the Greater Shepparton City Council and the community in the delivery of Projects; and
4. To provide transparency and reporting on all Project performance.

SCOPE

This policy sets out the requirements for the project management and governance of all Projects being delivered by Greater Shepparton City Council. The policy applies to all Projects delivered through Council's annual Capital Budget, Operating Budget or forward-look plan that meet the definition of a Project under this policy.

DEFINITIONS

Reference term	Definition
Council	Greater Shepparton City Council, being a body corporate constituted as a municipal council under the Local Government Act 2020
Capital Works	The acquisition, renewal or construction of new assets which increases the service potential or extends the life of an asset or upgrade or expansion of an existing asset to provide a higher level of service that is included within Council's Capital Budget or the forward-look plan
Guidelines	Greater Shepparton City Council Project Management Guidelines
Operational Works	Any scope of works for the implementation of operational maintenance or improvements or planning of future community investment such as masterplans, strategies, stakeholder engagement projects or artwork commissions that is included within Council's Operating Budget
PMF	Project Management Framework, comprising Greater Shepparton City Council Guidelines and Procedures
Policy	Greater Shepparton City Council Project Management Policy
Procedures	Greater Shepparton City Council Project Management Procedures
Project	A temporary endeavor undertaken to create a unique product, service or result. For the purpose of this policy, the term applies to any Capital, Operating or Community Project as defined by the following investment thresholds: <ul style="list-style-type: none"> • Capital Works = \$50,000 and above • Operational Works = \$50,000 and above
Project Sponsor	The person or persons with relevant delegated authority to approve the inception and scope for a proposed project. The Project Sponsor will be responsible for the following: <ul style="list-style-type: none"> • overall responsibility for the Project • high level stakeholder management

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| | <ul style="list-style-type: none"> • establish that a project management structure is in place |
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POLICY

This Policy sets out Council's principles for the management of projects. It outlines compliance and audit requirements, governance, and supporting Council strategies, plans and procedures.

PRINCIPLES

- Project decisions are integrated with organisational strategic planning;
- Project planning decisions are based on an understanding of the design considerations, evaluation of alternatives which incorporate 'life cycle' costs, benefits and risks of ownership for project deliverables; and
- An effective internal control structure is established to manage the projects in a consistent manner to ensure objectives are met and the decision making process is aided.

1. GOVERNANCE

The successful delivery of projects is dependent on clearly defined roles, accountabilities and responsibilities of all stakeholders with defined controls and decision-making processes. The governance arrangements for each project must follow established principles of good governance as identified below:

- **Roles and responsibilities** - clearly defined for groups and individuals within the governance structure
- **Scope and Project Objectives** - a clearly defined scope and project objectives must be established and adapted as required in response to the needs of the Council.
- **Risk** – recognition and management, an appropriate system of risk management must be in place
- **Project performance** - clear performance indicators should be established to assess performance and to provide markers of good and poor performance
- **Integrity and accountability** - transparency and accountability for fair and considered decision making
- **Culture and ethics** - the leadership establish a culture of ethical and responsible decision making
- **Engagement** - effective engagement with all project stakeholders as appropriate to their involvement in the project.

The PMF and the subordinate procedures, processes and other supporting documentation have been developed to ensure that:

- decisions are made and issues are resolved efficiently, effectively and transparently; and
- these are consistently applied across all Projects.

The PMF will describes the general roles and responsibilities of each stakeholder, with more specific information and decision and approval processes being provided throughout the PMF procedures and subordinate documentation.

2. PROJECT MANAGEMENT FRAMEWORK OVERVIEW

The PMF provides the framework and procedures for the completion and approval of all Projects defined under this Policy.

The PMF aims to:

- Provide consistent Council wide framework for managing projects

- To increase project transparency and visibility in delivering projects
- Ensure that each project will deliver outcomes that are consistent with organisational policy and strategic objectives
- Provide end-to-end project mechanisms, including key activities, templates, governance and tools for monitoring and controls.
- Improving visibility of projects by ensuring information is presented consistently, enhancing decision-making, reducing risks and increase confidence in project delivery.

The PMF:

- ensures stakeholder expectations are met through a successful delivery against time, cost and quality parameters and promote consistency and control of projects, ultimately reducing risks and increasing project successes.
- applies to all Council staff responsible for delivering any Council project.
- be utilised when a project has either a one-time undertaking (not part of routine) or has a start and end date.
- helps to expend the Councils capital expenditure whilst reducing a wide range of risks to Council and provide guidance for staff about what needs to be considered when managing a project.

The PMF will assist the Project Managers in delivering the scope of works as it will provide:

- Clear and understood project scope
- Identification of project risks with documented strategies
- Consistent method for monitoring and controlling project deliverables and milestones
- Improved communication among project team, sponsors, leadership and stakeholders
- Ability to measure project performance
- Early identification of potential problems
- Understanding of impact to timeline and critical path

3. RELATED POLICIES AND CORPORATE PROCEDURES

The Greater Shepparton City Council and its project delivery consultants and contractors must ensure that the PMF and Projects comply with the following Council Policies:

- Asset Management Policy
- Community Engagement Policy
- Community Planning Policy
- Conflict of Interest Policy
- Exercise of Delegations Policy
- Fraud and Corruption Policy
- Freedom of Information Policy
- Gifts and Benefits Policy
- Grant Distribution Policy
- Greater Shepparton City Council and Goulburn Valley Regional Collaborative Alliance
- Media Policy
- Privacy Policy
- Public Interest Disclosure Policy
- Procurement Policy 13.POL1
- Records and Information Management Policy
- Risk Management Policy
- Sponsorship Policy
- Surveillance Policy

- Sustainable Decision Making Policy
- Tree Management Policy

4. COMPLIANCE

The Greater Shepparton City Council and its project delivery consultants and contractors must ensure that the PMF and Projects comply with the following:

- Local Government Act 2020
- Building Act 1993;
- Building and Construction Industry Security of Payment Act 2002;
- Building Regulations 2018;
- Dangerous Goods (Storage and Handling) Regulations 2007;
- Heritage Act 1995;
- Major Projects Skills Guarantee Policy;
- National Construction Code (NCC) including the Building Code of Australia (BCA), Disability (Access to Premises – Buildings) Standards, and the Plumbing Code of Australia (PCA);
- Occupational Health and Safety Regulations 2007;
- Planning and Environment Act 1987;
- Local Jobs First Policy (Victorian Industry Participation Policy (VIPPP) and Major Project Skills Guarantee);
- Local Jobs First Policy Agency Guidelines October 2018
- Victoria's Social Procurement Framework;
- Fair Payments Policy;
- Protective Data Security Standards;
- Whole of Victorian Government Intellectual Property Policy Intent and Principles;
- DataVic Access Policy;
- Supplier Code of Conduct; and
- Any other applicable acts, regulations, codes and Australian Standards.

5. CONTINUOUS IMPROVEMENT

As part of Greater Shepparton City Council commitment to continuous improvement this Policy, PMF and subordinate documents will be reviewed and updated regularly. Feedback will be sought from stakeholders at various stages during the project-lifecycle and this feedback will be an important component of these reviews. This feedback will include stakeholder surveys and post completion reviews of selected completed projects.

6. AUDITS

Internal Audits

Internal audits of the PMF will be undertaken every two years to assess the delivery of projects against the PMF. Non-conformances will be consolidated with the audit report and recommendations listed for implementation.

Manager Projects will be responsible for reviewing this Policy every two years, and within six months of a Local Government Election.

External Audits

The Project Management Framework Policy and PMF will be subject to an external independent audit review every 5-years, or earlier if deemed necessary by the Greater Shepparton City Council. The independent audit will review will focus on, but not limited to:

- Suitability of the PMF and associated procedures
- Compliance with PMF
- Hold point and approvals
- Delegations of Authority

The independent audit will be undertaken by a qualified / accredited audit professional.

Peter Harriott
Chief Executive Officer

Date

ATTACHMENTS

Nil

DRAFT Project Management Framework

		Stage 1 - Initiation		Stage 2 - Design				Stage 3 - Delivery		
		Phase A Business Case / Capital Planning / Feasibility	Phase B Project Governance	Phase C Project Scope, Delivery Strategy and Consultant Procurement	Phase D Concept Design and Functional Design	Phase F Detailed Design and Contract Documentation	Phase G Handover to PMO	Phase H Tender Preparation, Evaluation and Award	Phase I Contract Administration (Incl Defects)	Phase J Project Close and Final Handover
Objectives		The project sponsor will develop the Project Feasibility Report or Business Case (large projects), obtain endorsement from the relevant Department Director, and then submit to Finance/PMO for inclusion in the 10-year Capital Works Plan. These documents will outline the objectives, benefits and approach for the project.	Following the endorsement/approval of the project the initial governance set-up is to identify, record and implement the project governance obligations and requirements for a project of the relevant type and scale.	The initial set-up of the project planning and resourcing is to be managed by the Design PM. The set-up includes the identification and development of the project budget, team, procurement of consultants and mapping of the project program and key authority approvals.	The phase is to engage with stakeholders to develop concept design documentation and Cost Estimate in line with the project business case objectives to provide Council with an estimated cost within a tolerance of 40%. The phase is to engage with stakeholders to develop functional design documentation and Cost Estimate in line with the project business case objectives to provide Council with an estimated cost within a tolerance of 20%.	The Design PM will work with the project consultants, engage with project stakeholders and sponsors to develop the Detailed Design documentation and cost estimate for the project in line with the requirement of the Business Case. The Design PM will work with the project consultants to develop the Contract Documentation in line with the Detailed Design.	The Design PM will work with the PMO team to ensure the smooth and effective transition to the Delivery PM. The objective of this phase is to provide a clear handover of the project governance, scope, objectives, budget and documentation to enable the future phases to be undertaken immediately or at a future date identified by Council. Within the phase the Delivery PM is responsible for reviewing, updating and re-confirming the project governance structure to ensure adequate management of the delivery phases.	Tender the proposed works to procure a contractor(s) to undertake the works on behalf of the Principal (Council). During the phase, the Delivery PM will manage the tender process, respond to tender queries, issuing tender clarifications or addenda, receive tender submissions and undertake the evaluation of tenders with the Evaluation Panel.	The Delivery PM is responsible for the management of the Contractor and the primary objective is to manage and administer the works in accordance with the Contract. During the construction phase of the project the Delivery Project Manager represents the Principal and Superintendent as defined by the conditions of contract. During this phase the Delivery PM and Project Sponsor will be responsible for ongoing stakeholder engagement to provide reporting, updates, decisions, determinations and input into the construction process.	The project close phase is the completion of the project managed by the Delivery PM. The objective is to resolve all outstanding issues, finalise project financials and transfer the ongoing maintenance responsibility to asset owner.
Key Activities		<ul style="list-style-type: none"> Short form Project Feasibility Report Feasibility review process: <ol style="list-style-type: none"> Feasibility Report prepared by Project Sponsor department Feasibility Report reviewed by Director Feasibility report submitted to Finance and PMO for review and input. Presented at quarterly ELT for endorsement Approval for inclusion within 10 Year Capital Works Plan and Council Budget (if required) 	<p>ALL PROJECTS:</p> <ul style="list-style-type: none"> Set-up and populate the adopted project (CAMMS) Set-up finance and project budget Identify project resources Confirmation of funding partners and development of funding agreements^A <p>>\$200k Project</p> <ul style="list-style-type: none"> Establish Project Board, Terms of Reference and Project Board Report Engagement with project stakeholders to update next steps <p>^Amay occur over following phases</p>	<ul style="list-style-type: none"> Set-up document management system and folder structure Identify / update project scope (CAMMS) Update Risk Register (CAMMS) Update task planning (CAMMS) Confirmation of project resources (internal) Develop the Delivery Strategy and issue for Manager / Project Board Endorsement Prepare Consultant Procurement Plan (over \$50k incl GST) Procure project team consultants (if req) – as per procurement plan Confirm the design phases required for the project and review acceleration opportunities for Director / Project Board approval (within Delivery Strategy) Understanding and mapping of authority approvals required for the project (within Delivery Strategy) Generate Purchase Orders (Authority) 	<ul style="list-style-type: none"> Update Delivery Strategy Chair and minute project kick-off meeting Design reviews / User group meetings and engagement Confirm and document authority approvals Preparation of Concept Design (Incl. documentation and reports) Preparation of Functional Design (Incl. documentation and reports) Concept/Functional Design Cost Estimates Safety in Design Undertake site investigations (if req) Prepare monthly reports (Capital and Magiq) Update Finance phasing (Magiq) Update Risk Register (CAMMS) Update task planning (CAMMS) Project Sponsor to manage external funding applications and engagement with funding partners 	<ul style="list-style-type: none"> Update Delivery Strategy Design reviews / User group meetings and engagement Obtain authority approvals Preparation of Detailed Design (Incl. documentation and reports) Detailed Design Cost Estimate Preparation of Contract Documentation Update Risk Register (CAMMS) Update task planning (CAMMS) Project Sponsor to manage external funding applications and engagement with funding partners Prepare monthly reports (Capital and Magiq) Update Finance phasing (Magiq) Safety in Design 	<ul style="list-style-type: none"> Update the Delivery Strategy to confirm the Governance structure for the delivery phase. Confirm the scope and documentation completed to date via the PMO acceptance checklist Confirmation of the Project Budget, program and the current and up to date cost estimate Update project risk register (CAMMS) and provide briefing to PMO PMO handover meeting 	<ul style="list-style-type: none"> Prepare Procurement Plan for contractor engagement Engage probity officer (if req) (Procurement) Prepare RFT/RFQ Documentation and issue to Procurement for release Release and manage tender process (Procurement) Respond to tender clarifications and RFI with Procurement Evaluate tender and prepare a Tender Recommendation Report Negotiate and execute Contract (incl. Letter of Award) Prepare monthly reports (Capital and Magiq) Update Risk Register (CAMMS) Update task planning (CAMMS) Update Finance phasing (Magiq) Generate Purchase Orders (Authority) Project Sponsor to manage external funding applications and engagement with funding partners 	<ul style="list-style-type: none"> Contract kick-off meeting and site induction Receive and review Contractor Construction Plans (CMP, TMP, EMP) Issue For-Construction Drawings Provide information to Contractor for Building Permit (if req) Stakeholder Management Plan (internal and external) Obtain Authority approvals and agreements Dilapidation Report Manage construction BG / Retention incl. release at PC Chair fortnightly site meetings with the Contractor Preparing and issuing site meeting minutes Monitoring the Contractor's OH&S compliance Managing requests for information (RFI) and issuing site instructions (SI) Receiving, assessing and processing of claims, EOT, variations under the Contract Monitoring the Contractor's progress against their construction program Monthly reporting on project progress, issues, risks Update Risk Register (CAMMS) Reporting of OH&S issue Issuing certificate of Practical Completion Management of defects raised at PC Initial handover and operations of the facility to the asset owner Project Sponsor to manage engagement with funding partners Undertake site inspections and utilize iAuditor app Prepare monthly reports (Capital and Magiq) Prepare Lessons Learnt Register O&M Manuals and As-built Documentation Completion of Asset Form Final board report PO maintenance 	<ul style="list-style-type: none"> Final Completion Inspections (contractor) and Certificate of Final Completion Close-out of maintenance records from DLP Close out of final defects Manage contract closure – final claims, maintenance records, warranties, As-built BG / retention release Review, update and finalise Lessons Learnt Register Final inspection / handover meeting with Asset Owner CAMMS Finalisation

DRAFT Project Management Framework

		Stage 1 - Initiation		Stage 2 - Design				Stage 3 - Delivery		
		Phase A Business Case / Capital Planning / Feasibility	Phase B Project Governance	Phase C Project Scope, Delivery Strategy and Consultant Procurement	Phase D Concept Design and Functional Design	Phase F Detailed Design and Contract Documentation	Phase G Handover to PMO	Phase H Tender Preparation, Evaluation and Award	Phase I Contract Administration (Incl Defects)	Phase J Project Close and Final Handover
Leadership Responsibility		<p>Responsible: Project Sponsor Accountable: Director (Sponsor department) Consulted: Finance, PMO, Asset Owner, other directly affected departments Informed: Project stakeholders</p>	<p>Responsible: Project Sponsor Accountable: Director (Sponsor department) Consulted: Finance, PMO, Asset Owner, Project Sponsor, other directly affected departments Informed: Project stakeholders</p>	<p>Responsible: Design PM Accountable: Manager (Projects) Consulted: Procurement, PMO, Asset Owner, Project Sponsor, other directly affected departments Informed: Project stakeholders</p>	<p>Responsible: Design PM *Project Sponsor is responsible for engagement with funding partners Accountable: Manager (Projects) Consulted: Procurement, PMO, Asset Owner, Project Sponsor, other directly affected departments Informed: Project stakeholders</p>	<p>Responsible: Design PM *Project Sponsor is responsible for engagement with funding partners Accountable: Manager (Projects) Consulted: Procurement, PMO, Asset Owner, Project Sponsor, other directly affected departments Informed: Project stakeholders</p>	<p>Responsible: Design PM Accountable: Manager (Projects) Consulted: PMO, Asset Owner, Project Sponsor, other directly affected departments Informed: Project stakeholders</p>	<p>Responsible: Delivery PM *Project Sponsor is responsible for engagement with funding partners Accountable: Manager (Projects) Consulted: Asset Owner, Project Sponsor Other directly affected departments Informed: Project stakeholders</p>	<p>Responsible: Delivery PM *Project Sponsor is responsible for engagement with funding partners Accountable: Manager (Projects) Consulted: Asset Owner, Project Sponsor, other directly affected departments Informed: Project stakeholders</p>	
Outcomes / Deliverables		<ul style="list-style-type: none"> - Project feasibility report - Business Case (Large projects) - ELT Report / Quarterly Capital Presentation 	<ul style="list-style-type: none"> - Project Governance Framework - Project Board Terms of Reference - Project Board Reports - Project setup in CAMMS 	<ul style="list-style-type: none"> - Delivery Strategy - Procurement Plan (if req) - ELT Reports - Appointed Project Consultants and executed consultant agreements (if req) - Project Board Reports (if req) - Consultancy Purchase Order (Authority) 	<ul style="list-style-type: none"> - Concept Design Report - Concept Design Documentation - Project Board Reports - Functional Design Report - Functional Design Documentation - Concept Design Cost Estimate - Functional Design Cost Estimate - Delivery Strategy (Updated) - Services Report - Safety in Design Register - Risk Register (CAMMS) - Finance phasing (Magiq) - Task Planning (CAMMS) 	<ul style="list-style-type: none"> - Detailed Design Documentation - Contract Documentation - Detailed Design Cost Estimate - Updated Delivery Strategy - Project Board Reports - Safety in Design Register - Risk Register (CAMMS) - Finance phasing (Magiq) - Task Planning (CAMMS) 	<ul style="list-style-type: none"> - PMO Handover Plan / PMO Checklist - Delivery Strategy (Updated) 	<ul style="list-style-type: none"> - RFT/RFQ pack - Procurement Plan - Tender Recommendation Report - Executed Contract - Letter of Award - Contract Purchase Order(s) (Authority) 	<ul style="list-style-type: none"> - Contractor Plans (CMP, TMP, CHMP, OHS) - Site Meeting Minutes - Project Board Reports incl. final board report - Risk Register (CAMMS) - Finance phasing (Magiq) - ELT Reports - Certificate of Practical Completion - Defects Register - BG / Retention - Funding Milestones (Project Sponsor) - Lessons Learnt Register - As-built and O&M Manuals - Maintenance Schedule (during DLP) - Certificate of Occupancy (if req) - Asset Form 	<ul style="list-style-type: none"> - Lessons Learnt Register (updated) - Certificate of Final Completion - Maintenance Records - BG / Retention release
Approval		<ul style="list-style-type: none"> - 10-year CAPEX – ELT endorsement (internal) - Approved for inclusion in Council Budget 	<ul style="list-style-type: none"> - Project Governance Framework approved by Director (sponsor department) 	<ul style="list-style-type: none"> - Delegation of Authority: approval of consultant agreements (if req) 	<ul style="list-style-type: none"> - Project Board Approval (if req) - Manager (Projects) Concept / Functional Design Approval 	<ul style="list-style-type: none"> - Project Board Approval (if req) - Manager (Projects) Detailed Design / Contract Documentation 	<ul style="list-style-type: none"> - Manager Projects 	<ul style="list-style-type: none"> - Delegation of Authority: approval of contract 	<ul style="list-style-type: none"> - Practical Completion (Superintendent) - Payment of Contract Claims (Superintendent) - Variations (DOA Approval and Superintendent) - EOT (Superintendent) 	<ul style="list-style-type: none"> - Final Completion (Superintendent) - Defects (Superintendent)