

Project initiation

Department of Health Standard

QH-IMP-374-2:2023

1. Statement

An agreed strategy shall be established at the initiation stage for the continued planning, design and delivery of capital infrastructure projects undertaken on behalf of the Department of Health in accordance with legislation, whole-of-government policy, and the principles of business, planning and project management.

2. Scope

This standard applies to all employees, contractors and consultants within the Department of Health divisions and business units.

This standard may be adopted, or re-branded, for use by Hospital and Health Services or statutory bodies.

3. Requirements

Compliance with the requirements in this standard is mandatory.

3.1. Project initiation

3.1.1. Prior to initiation of capital infrastructure project, the Project Director shall ensure the following has been completed:

3.1.2. Queensland Government approval for the capital infrastructure project to proceed. Refer to FMPM 7.3 - Approvals of projects and expenditure.

3.1.3. Service planning, functional design brief, capital infrastructure planning and preliminary business case development, commensurate with the scope, value, and complexity of the project.

3.1.4. A project handover report from the infrastructure planning phase, including any associated technical briefing (see HCD clinical infrastructure unit project handover process and report template). The project handover report shall be endorsed by:

3.1.4.1. the relevant Chief Executive, Hospital and Health Service

3.1.4.2. Director, Clinical Infrastructure Unit

3.1.4.3. Executive Director, Planning and Delivery.

3.1.5. Any required land acquisition for the capital infrastructure delivery project, with planning approval commenced.



3.1.2. The Executive Director, Planning and Delivery shall endorse:

- 3.1.3. the tender list, terms of reference, assessment panel and recommendation for any consultancies which will extend beyond the project initiation stage of a capital infrastructure project
- 3.1.4. the capital infrastructure proposal including cost plan for any approved capital infrastructure delivery project
- 3.1.5. the site selection criteria, due diligence check list and site acquisition recommendation for any land acquisitions for a capital delivery project (in accordance with the real property management policy and supporting standards and guideline.

3.2. Development of the capital project implementation plan

3.2.1. The Project Director shall complete a Capital Project Implementation that clearly articulates:

- 3.2.1.1. **project objectives:** a clear definition of the government objectives for the project including scope, allocated budget, and timeframe
- 3.2.1.2. **program and tasks:** identification of the key tasks and development of the project timetable outlining the date by which key deliverables shall be achieved, based on major assumptions and risks
- 3.2.1.3. **human resources:** identification of internal and external human resources required and their funding source, plus the reporting structure and resourcing strategy
- 3.2.1.4. **project governance:** identification and development of roles, responsibilities, accountabilities, communication processes and reporting structures as per Capital infrastructure programs and projects policy
- 3.2.1.5. **reporting and information management:** reporting requirements, frequency, reporting levels and format, information management systems including document management
- 3.2.1.6. **stakeholder engagement:** a community engagement plan shall be developed outlining the purpose, how, by whom and where consultation shall occur and include processes to resolve both internal and external disagreements
- 3.2.1.7. **risk management:** identification and management of the current known key risks, plus strategy for the ongoing identification, management, and reporting of project risks
- 3.2.1.8. **benefits management:** benefits are identified in the initial business case/feasibility study and through development of the building performance evaluation balanced scorecard. This includes how and when benefits will be delivered and monitored, measured, and reported at project hold points.

3.2.1.9. **change management:** the key change management strategies including:

3.2.1.9.1. changes in work practices and business processes identified through the development of the functional design brief

3.2.1.9.2. organisational and staff readiness and capability

3.2.1.9.3. sources of potential reluctance

3.2.1.9.4. consultation and engagement processes, in line with the communication and consultation plan

3.2.1.9.5. training and support requirements.

3.2.1.10. **quality management:** identify the quality techniques and standards to be applied and the responsibilities for achieving the desired quality and performance levels

3.2.1.11. **funding framework:** a funding and financial management strategy to outline the timing, mechanisms, sources, and cash flow. All approvals for non-recurrent expenditure shall comply the appropriate delegations

3.2.1.12. **assumptions:** an outline of the assumptions upon which the Capital Project Implementation Plan is based.

3.2.2. The Project Director shall seek approval of the Capital Project Implementation Plan from the relevant Chief Executive, Hospital and Health Service and the Executive Director, Planning and Delivery.

3.3. Project team procurement

3.3.1. The Project Director shall procure the resources as outlined in the approved Capital Project Implementation Plan. Refer to the procurement management standard.

3.4. Project team orientation

3.4.1. The Project Director shall ensure all initial and future members of the project team and key stakeholders undergo orientation to the project and have a documented list of responsibilities. The project team includes, at a minimum:

3.4.1.1. the relevant Chief Executive, Hospital and Health Service, or their delegate

3.4.1.2. members of all project committees e.g., Project Steering Committee, Project Control Group, User Groups.

3.4.2. The Project Director shall ensure orientation processes engage, inform, and engender ownership of the project's objectives and benefits to be realised. Orientation shall include:

3.4.2.1. information on the benefits, program, and activities for the project

- 3.4.2.2. identification of anticipated challenges
- 3.4.2.3. strategies to achieve the project's defined scope, budget, and timeframe
- 3.4.2.4. familiarisation with the Capital Project Implementation Plan.

3.5. Reporting

- 3.5.1. The Project Director shall establish reporting processes for the lifecycle of the capital infrastructure delivery project. At a minimum, this shall include:
- 3.5.2. Monthly reports provided to the Project Director from:
 - 3.5.2.1. Project Manager
 - 3.5.2.2. Procurement Manager
 - 3.5.2.3. responsible officer for information infrastructure e.g., Queensland Health, Health Services Information Agency, or external consultancy
 - 3.5.2.4. any other external consultants engaged, i.e., Principal Consultant, Quantity Surveyor and Programmer.
- 3.5.3. For projects with a project budget of \$5 million or greater, or as requested by the Executive Director Infrastructure Planning and Delivery, reports will be prepared by the Project Director monthly.

3.6. Project committees

- 3.6.1. The project committee structure shall reflect the size and complexity of the project and shall align with the capital infrastructure programs and projects policy/standard.
- 3.6.2. Each project shall have a Project Steering Committee, responsible for project-level decision-making, endorsement or approval of project documentation and resolution of project-specific scope, operational and budget issues.
- 3.6.3. Operational committees (i.e., Executive User Group, Project Control Group or Project Advisory Group) shall be established commensurate with the stage, scope, and complexity of the project. The role of the committees shall include gathering of information/evidence, recommending design and coordination solutions, and ensuring scope and budget issues are progressed to the Project Steering Committee.

3.7. Development management

- 3.7.1. The Project Director shall ensure:
 - 3.7.1.1. as a minimum, user representatives of the new and/or redeveloped space will inform the planning and design development and review
 - 3.7.1.2. the responsible officer for information and communications technology provides a documented plan which outlines the scope and

cost estimate of the information and communication technology requirements

3.7.1.3. representatives from centralised areas of expertise (e.g., Centre for Health Related Infection Surveillance Program, Biomedical Technology Services, Clinical Networks) consulted as required, to provide input in the planning, design development and review of the new and/or redeveloped space

3.7.1.4. where new services will be provided as part of the capital delivery project, expert advice is sought from other existing services. For significant larger, complex and/or speciality services, this may include utilisation of interstate and/or international experiences.

4. Human rights

Human rights are not engaged by this standard.

5. Legislation

- *Financial Accountability Act 2009*
- Financial and Performance Management Standard 2019

6. Supporting documents

- FMPM 7.3 - Approvals of project and expenditure policy
- FMPM 8.32 - Capital funding policy
- Capital infrastructure programs and projects policy
- Capital infrastructure projects delivery policy
- Commissioning and finalisation standard
- Construction stage standard
- Design and documentation stage standard
- FMPM 7.2.1 - Exercising expenditure delegations standard
- Expenditure delegations
- FMPM 7.2 - Expenditure delegations of authority policy
- Real property management policy
- FMPM 7.3.1 - Requirement to obtain legal advice standard
- Procurement management standard
- Project definition plan stage standard

- FMPM 7.18 - Purchasing and procurement policy

7. Definitions

Term	Definition
Building performance evaluation	BPE supports benefits management and realisation for capital projects. This methodology facilitates comprehensive evaluation of design and performance outcomes throughout the process of planning and delivery of capital infrastructure to ensure benefits outlined in the business case are enabled and realised.
Business	The business is the relevant Hospital and Health Service or Division.
Business case	A Business Case provides a substantiated argument for the proposed project and includes analysis and justification for the scope and delivery options to provide best value for the funds requested.
Business change owner	The business change owner (generally the relevant Chief Executive Hospital and Health Service) is accountable for the business change by providing strategic leadership to ensure the product is capable and the organisation is ready to enable/deliver the business change.
Queensland Government Building policy framework	The QGBPF is the Queensland government's key policy for managing risks in the planning and delivery of government building projects. It identifies the major risk areas and sets out the steps that must be taken to manage those risks. The QGBPF gives effect to the whole-of-government Prequalification System for building industry consultants and contractors seeking to undertake government building projects.
Functional design brief	The Functional Design Brief includes: <ul style="list-style-type: none"> • description of the models for clinical and operational service delivery • summary of the functional space requirements defined at the completion of health service and infrastructure planning • specific design and performance information which relates to the project site and building requirements.
Governance	The functions, responsibilities, processes, and procedures that define how a program/project is set up, managed, and controlled.
Governance and management of capital infrastructure program and projects policy	The intent of the policy is to establish a consistent statewide approach to all health service planning and capital infrastructure program/projects.

Term	Definition
Higher authority	The higher authority has the authority to make final approval on project change requests within delegations and provide decision making for high-risk areas for the program or project. This position is appointed by the Senior Responsible Owner and may be the same as the Executive.
Major capital works	Major capital works are capital works that: <ul style="list-style-type: none"> • are structural works of a building • involve alterations to the building envelope • result in additional recurrent operational expenditure • result in the need for regulatory compliance certification of the building structure or with building service standards, including building and information technology standards.
Procurement strategy	Process used to take a building project from its early planning phases to completion and occupation by the building's users. The responsibilities during the project delivery stages for the external contracted services will vary according to the procurement strategy. Procurement options include: <ul style="list-style-type: none"> • traditional fully documented – lump sum • design and construct – lump sum • managing contractor – design and construction management • alliance • bundling • Public Private Partnership (identified during planning phase).

8. Approval and implementation

Policy Custodian	Policy Contact Details	Approval Date	Approver
Executive Director, Operations, Health Capital Division	HCDDDG@health.qld.gov.au	10 July 2023	Priscilla Radice, Deputy Director-General, Health Capital Division

Version control

Version	Date	Comments
1.0	20 June 2012	New implementation standard

Version	Date	Comments
2.0	5 May 2015	Policy Rationalisation Project review
3.0	10 July 2023	Reviewed and updated following QAO's Performance Audit Report 17 May 2022 – 'Contract management for new infrastructure' Report 16: 2021-22 (Recommendation 11).