

Project initiation stage

Standard

QH-IMP-374-1:2015

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

Compliance with the requirements in this standard is mandatory.

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

This standard can be used by Hospital and Health Services either as is, by re-branding or as a base for a Hospital and Health Service specific policy.

3. Principles

Compliance with this standard will ensure the planning and delivery of capital projects are based on sound business, planning and project management principles. The following requirements shall inform and be addressed by or at the initiation stage:

- service planning, the functional design brief, infrastructure planning and a feasibility assessment shall be completed prior to progressing any detailed planning and design for the capital delivery
- a Capital Project Implementation Plan (CPIP) commensurate to the size, nature and risk of the project shall outline the management strategy for the delivery of the project to meet the required government objectives.

4. Requirements

4.1 Mandatory elements for project initiation stage:

Prior to initiation of a capital infrastructure project:

4.1.1 The Project Director shall ensure the following has been completed:

- Queensland Government approval for the capital infrastructure project to proceed
- service planning, functional design brief, capital infrastructure planning and preliminary business case development, commensurate with the scope, value and complexity of the project
- a Project Handover Report from the infrastructure planning phase, including any associated technical briefing (see HIB Clinical Infrastructure Unit Project Handover Process and Report Template). The Project Handover Report shall be endorsed by:
 - the relevant Chief Executive, Hospital and Health Service
 - Director, Clinical Infrastructure Unit

- Executive Director, Capital Projects Unit.
 - any required land acquisition for the capital infrastructure delivery project, with planning approval commenced.
- 4.1.2 The Executive Director, Capital Projects Unit shall endorse:
- 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
 - the capital infrastructure proposal including cost plan for an approved capital infrastructure delivery project
 - 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.

4.2 Project initiation – development of the Capital Project Implementation Plan

- 4.2.1 The Project Director shall complete a Capital Project Implementation Plan (CPIP) that clearly articulates:
- project objectives: a clear definition of the government objectives for the project including scope, allocated budget and timeframe
 - 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
 - human resources: identification of internal and external human resources required and their funding source, plus the reporting structure and resourcing strategy
 - project governance: identification and development of roles, responsibilities, accountabilities, communication processes and reporting structures as per Governance and management capital infrastructure program and projects Policy
 - reporting and information management: reporting requirements, frequency, reporting levels and format, information management systems including document management
 - 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
 - risk management: identification and management of the current known key risks, plus strategy for the ongoing identification, management and reporting of project risks
 - benefits management: benefits are identified in the initial business case/feasibility study and through development of the Building Performance Evaluation Balanced Scorecard. Included is how and when benefits will be delivered and be monitored, measured and reported at project hold points.
 - change management: the key change management strategies including:
 - changes in work practices and business processes identified through the development of the Functional Design Brief
 - organisational and staff readiness and capability
 - sources of potential reluctance

- consultation and engagement processes, in line with the communication and consultation plan
 - training and support requirements.
 - quality management: identify the quality techniques and standards to be applied and the responsibilities for achieving the desired quality and performance levels
 - 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.
 - assumptions: an outline of the assumptions upon which the CPIP is based.
- 4.2.2 The Project Director shall seek approval of the CPIP from the relevant Chief Executive, Hospital and Health Service and the Executive Director, Capital Projects Unit.

4.3 Project Team Procurement

- 4.3.1 The Project Director shall procure the resources as outlined in the approved CPIP (see Procurement management Standard).

4.4 Project Team Orientation

- 4.4.1 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:
- the relevant Chief Executive, Hospital and Health Service, or their delegate
 - members of all project committees e.g. Project Steering Committee, Project Control Group, User Groups.
- 4.4.2 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:
- information on the benefits, program and activities for the project
 - identification of anticipated challenges
 - strategies to achieve the project's defined scope, budget and timeframe
 - familiarisation with the CPIP.

4.5 Reporting

- 4.5.1 The Project Director shall establish reporting processes for the lifecycle of the capital infrastructure delivery project. At a minimum, this shall include:
- Monthly reports provided to the Project Director from:
 - Project Manager
 - Procurement Manager
 - responsible officer for information infrastructure e.g. Queensland Health, Health Services Information Agency or external consultancy. any other external consultants engaged, i.e. Principal Consultant, Quantity Surveyor and Programmer.

For projects with a project budget of \$5 million or greater, or as requested by the Executive Director, Capital Projects Unit, reports will be prepared by the Project Director on a monthly basis.

4.6 Project Committees

- 4.6.1 The project committee structure shall reflect the size and complexity of the project and shall align with the Governance and management of capital infrastructure program and projects Policy.
- 4.6.2 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.
- 4.6.3 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.

4.7 Development Management

- 4.7.1 The Project Director shall ensure:
- as a minimum, user representatives of the new and/or redeveloped space will inform the planning and design development and review
 - the responsible officer for information and communications technology provide a documented plan which outlines the scope and cost estimate of the information and communication technology requirements
 - representatives from centralised areas of expertise (e.g. Centre for Health Related Infection Surveillance Program, Bio-medical Technology Services, Clinical Networks) consulted as required, to provide input in the planning, design development and review of the new and/or redeveloped space
 - 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.

All forms and templates are available from HIB-Program_Coordination@health.qld.gov.au .

5. Related legislation and documents

Relevant legislation and associated documentation includes, but is not limited to, the following:

Department of Health:

- Financial management practice Policy and Manual
- Governance and management of capital infrastructure program and projects Policy
- Integrated risk management Policy

Other:

- Department of Housing and Public Works 2012, Capital Works Management Framework
- Department of Infrastructure and Planning 2010, Project Assurance Framework
- Department of Queensland Treasury and Trade 2008. Public private partnership guidance material
- Department of Queensland Treasury and Trade 2008. Value for Money Framework

- Department of Housing and Public Works 2013, Queensland Procurement Policy
- *Financial Accountability Act 2009* (Qld)
- Financial Performance Management Standard 2009 (Qld)
- *Queensland Industry Participation Policy Act 2011* (Qld)
- *Sustainable Planning Act 2009* (Qld)

6. 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 (generally the relevant Chief Executive, Hospital and Health Service)	The Business Change Owner 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.
Capital Works Management Framework (CWMF)	The CWMF 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 CWMF gives effect to the whole-of-government Prequalification (PQC) 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.
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 (SRO) and may be the same as the Executive.

Major Capital Works

Major capital works are capital works that:

- are structural works of a building; or
- involve alterations to the building envelope; or
- result in additional recurrent operational expenditure; or
- 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:

- 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).
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Version Control

Version No.	Date	Comments
Version 1.0	20 June 2012	New Implementation Standard
Version 2.0	5 May 2015	Policy Rationalisation Project Review – this policy document does not include references to the Investment Management Framework as this framework has not been endorsed at this point in time.
