



BOULIA SHIRE COUNCIL

Project Decision Policy

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| Category: | Policy |
| Policy Number: | 166 |
| Document Version: | new |
| Obsolete Version: | n/a |
| Keyword Classification: | Project decision |
| Summary: | Project decision making at Boulia Shire Council combines management, governance, financial, economic and technical components, applied across relevant phases of the project lifecycle to establish a common approach for considering opportunities and proposed projects, and managing projects through to completion |
| Adoption Date: | 23 rd June 2023 |
| Resolution: | 2023/6.12 |
| Due for Revision: | Three years unless otherwise impacted by legislation |
| Revision date: | 23 rd June 2026 |
| Date revoked: | n/a |
| Related documents: | Project Decision Management Directive -MD 01.07.2023 (Policy 167) |
| Responsible Section: | Chief Executives Office |
| Responsible Officer: | Chief Executive Officer |
| Legislation: | <i>Local Government Act 2009</i> <i>Local Government Regulation 2012</i> |

PURPOSE

This policy document:

- Specifies Council's overarching intentions and guiding principles for project decision making.
- Describes implementation of the project decision process, consistent with the strategic actions and outcomes specified by the Corporate Plan.
- Includes a commitment to legislative compliance as well as continual improvement in project decision making across the organisation.

SCOPE

Project decision making at Boulia Shire Council combines management, governance, financial, economic and technical components, applied across relevant phases of the project lifecycle to establish a common approach for considering opportunities and proposed projects, and managing projects through to completion.

To improve project selection and delivery, Council adopts a structured decision-making process across the project lifecycle. The lifecycle stages include:

- *Identify*
- *Evaluate*
- *Analyse*
- *Recommend*
- *Engage/Decide*
- *Deliver*
- *Operate/Maintain*
- *Decommission*

DEFINITIONS

Council - means Boulia Shire Council.

Council Officer – means any person/s employed by Boulia Shire Council.

Councillor - means any elected member of Boulia Shire Council.

ManEx Team – means Boulia Shire Council Managers, Directors and Chief Executive Officer.

Project – means the acquisition or improvement of a Council asset or process that imposes a financial or reputational implication to Council.

Project Decision Framework (PDF)– means Council's own framework (see Figure 1) inspired by the Queensland Treasury Corporations suite of documents for the governance of Council projects.

Project Decision Group (PDG)– means the decision-making group constituted by nominated portfolio Councillors and ManEx.

Project Reference Group (PRG)- means the team (Section Director, Managers, supervisors) which consider and approves the project decision documentation for consideration by the Project Decision Group.

Project Decision Policy – means this Project Decision Policy

Project Manager - means the Council Officer charged with the delivery of a project or outcome identified in the Project Decision Framework.

POLICY STATEMENT

The purpose of this policy is to establish a project decision process to assist Council to manage local government investments in accordance with statutory requirements and sound contracting principles. This ensures optimal project choices are made, supporting the ongoing sustainability of local government, and providing the highest-quality services and facilities to the residents and ratepayers of Bouliā Shire.

Council provides a range of services to the community and, in doing so, is required to ensure these services are sustainable. Typically, in any year, the concepts and ideas considered in the budgeting process will exceed the number of projects that can be supported. Therefore, decisions must be made about which concepts will be progressed for further consideration. Council recognises the advantages of adopting a disciplined approach to project decision making, by considering project need, benefits, complexity, cost, and risk, so that approved and prioritised projects provide value for money.

Council aspires to the following mission:

Performance and Value for Money

“Achieving best value for money outcomes for our community.”
“Collaboration, managing expectations and working towards common goals.”

Council’s project decision making mission is guided by the following principles:

1. Project Governance and Accountability

- a) A disciplined approach towards project selection to undertake the ‘right’ projects across the organisation.
- b) Project proposals are prioritised based on a common and agreed set of criteria.
- c) Project selection is linked to strategic intent.
- d) Accountability for project decision making activities is unambiguous, accepted and met.
- e) Industry standards and guidelines are used where appropriate.
- f) A consistent project decision making language is used.

2. Project Information Management

- a) Council recognises, identifies, records, and maintains project information to a level of detail, accuracy, and integration necessary for each project to be managed in accordance with the integrated framework.
- b) Statutory requirements relating to Council’s project work are met (as a minimum).

3. Project Lifecycle Management

- a) Projects are managed from a whole-of-life perspective.
- b) Risks and opportunities are identified and managed in accordance with the Corporate Risk Framework prior to final project selection.
- c) Prior to approval of any major project that constitutes a renewal or upgrade to an existing service, a critical review, based on demonstrated service needs is undertaken and the ‘whole-of-life’ cost of that project is determined.

4. Service level management

- a) An agreed growth and demographic model is used to plan for infrastructure investment driven by changes in demand.
- b) Council defines current and desired levels of service considering technical and community requirements and the cost of services.

In Summary, the decision-making framework follows these steps.

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| <i>Identify</i> | A project arises from an idea, problem or need |
| <i>Evaluate</i> | Listed projects are evaluated with a selection criteria and proposal. Budget and resources are allocated if they are to proceed by the Project Reference Group (PRG) |
| <i>Analyse</i> | Projects are analysed in more detail with a business case to determine their feasibility by the Project reference Group (PRG) |
| <i>Recommend</i> | The Project Decision Group (PDG) recommends project progression, priority, timeframe, or need for further planning prior to submission to Council. |
| <i>Engage/Decide</i> | Councillors determine which project proceed. (if required - in consultation with the community) |
| <i>Deliver</i> | Projects are delivered using Council's project dashboard |
| <i>Operate/Maintain</i> | Project operational phase, and if infrastructure, project is included in Asset Management Plan/s. |
| <i>Decommission</i> | Assets, strategies or plans nearing end of life may reenter the project lifecycle |

Application

This policy applies to all projects with an initial cost of \$50,000 or a whole of life cost of over \$500,000 within a 10-year period. However, the following **exemptions** apply:

- a) Roads to Recovery (R2R), Traffic Infrastructure Development Scheme (TIDS), Disaster Recovery Funding Arrangements (DRFA), Minor Works Performance Contracts (MWPC) and Road Maintenance Performance Contracts (RMPC) projects are exempt.
- b) Any scheduled maintenance to Council assets as per the asset management plans or service plans is exempt.

The Chief Executive Officer may, by way of formal written approval, permit a project to bypass any evaluative processes.

RELATED POLICIES / LEGISLATION

This policy is aligned with Council's corporate plans and strategies. Furthermore, it is central to a suite of related functional level policies that support and guide the management of projects and maximise the business benefits that the opportunities associated with these projects present to Council.

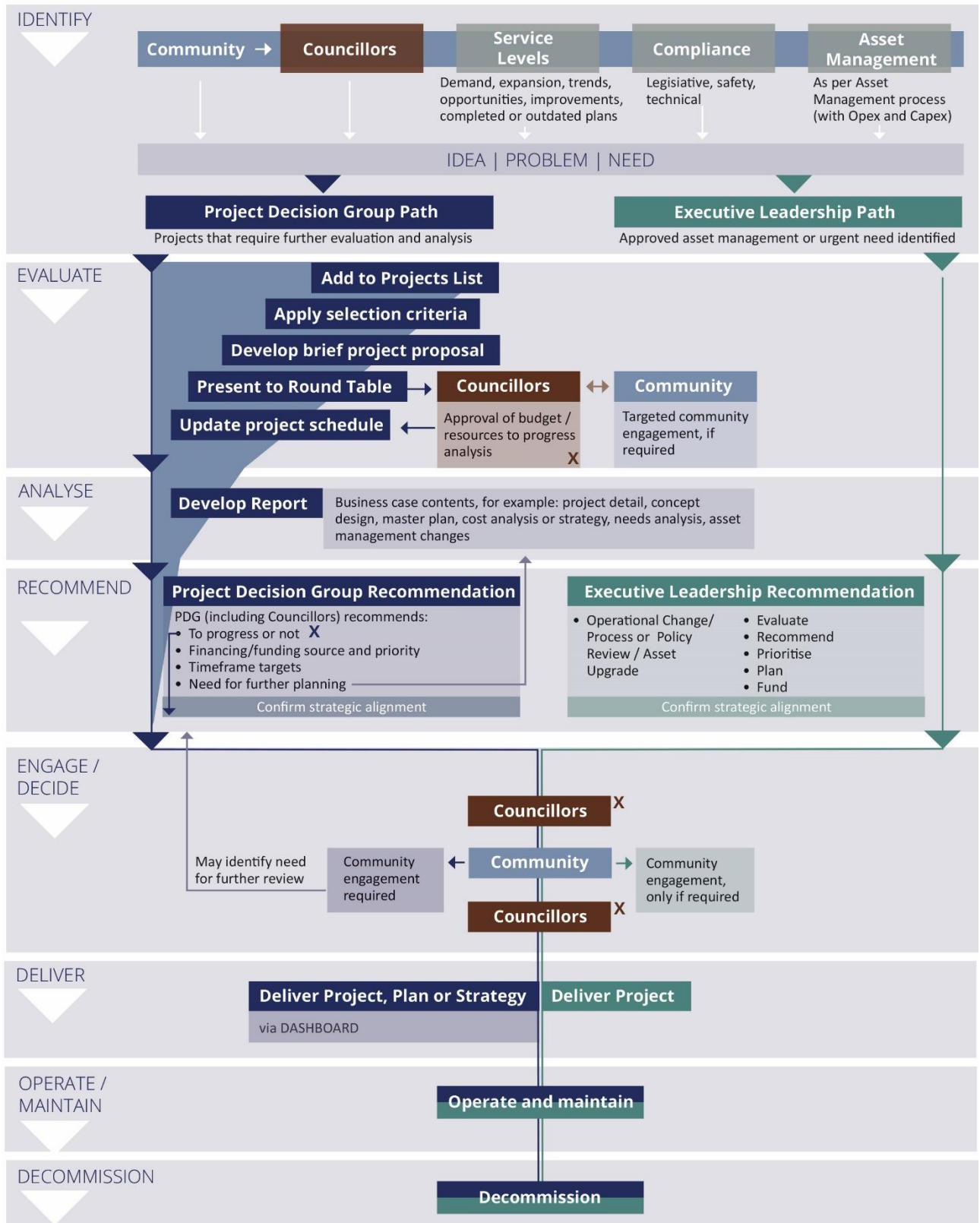
REPORTING REQUIREMENTS

The Project Decision Group (PDG) will, while making any recommendations, undertake due diligence to ensure the below reports and/or plans are consulted.

Local Government Regulation 2012

- *Corporate plan*
- *Asset management plans*
- *Long term financial plans*

Figure 1: Decision making framework



X Project stop point

ACCOUNTABILITIES, ROLES, AND RESPONSIBILITIES

Project decision making responsibilities and relationships have been established as follows:

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| Council | <ul style="list-style-type: none">- To act as stewards for all projects.- To approve Council projects and monitor outcomes.- To set corporate project decision policy and vision.- To oversee and approve levels of service, risk, and cost standards.- To ensure project investment decisions consider whole-of-life costs. |
| Chief Executive Officer / ManEx | <ul style="list-style-type: none">- To implement the decision-making process consistent with the Project Decision Policy with agreed resources and review performance.- To ensure that accurate and reliable information is presented to Council for decision making.- To integrate the Project Decision Policy, process, and guidelines into Council's corporate governance framework. |
| Project Custodians / Proponents | <ul style="list-style-type: none">- To develop proposals for new projects in accordance with Council's Project Decision Policy.- To ensure proposals include several project delivery options to determine the most viable option.- To develop and implement project management plans for individual approved projects in accordance with the guidelines.- To deliver levels of service to the agreed risk and cost standards.- To present information to Council and Chief Executive Officer in terms of lifecycle risks and costs. |
| Project Decision Group | <ul style="list-style-type: none">- To develop, implement and monitor Council's Project Decision Framework in accordance with this policy.- Ensure promotion and implementation of each step in the framework progressing projects through a staged lifecycle.- Evaluate and monitor key performance outputs/criteria following implementation. |

RELATED DOCUMENTS

Procurement Policy

Risk Management Framework

Risk Management Policy