

Capital Works Improvement Plan

September 2007

Objective: To improve the management of capital works.

Measure of Success: Capital Works Rollovers no greater than 8 to 10% of the program by 30 June 2009.

Context

Council Plan 2007-2008 desired KRA outcomes:

- Renewing our special places,
- Build a better environment,
- Strategic collaboration and partnership,
- Better local services in community centres,
- Effective services and council stewardship.

Four Year Council Plan Initiative 1.6

Review and revise the capital works processes to improve planning, reporting, project management, delivery and outcomes.

Overview

To improve the delivery of the capital works program, it is to be divided into three sub-programs. The intent is to improve the monitoring of the program, to enable the better allocation of resources to the tasks at hand and to improve the management of the program beyond any one financial year.

1 - Development Program

- Project Planning
- Concept Design
- Scope Development
- Preliminary Design

2 - Design Program

- Detail Design
- Consultation
- Planning Approval

3 - Implementation Program

- Construction
- Project Delivery
- Capitalisation
- Handover

- Each project will be monitored through each sub-program.
- The level of funding allocated to each project at the start of each financial year will be commensurate with the sub-programs that it has a realistic expectation of completing within that financial year.
- Depending on the complexity, a project may take one or more financial years to complete.
- The responsibility to establish the program is with the Manager Asset Services.

Areas for Improvement

1. Planning
2. Responsibility
3. Monitoring and Reporting
4. Resourcing

Area 1 - Planning

Issue	Action	Responsibility Area	Completion Date	Status
1.1 Lack of forward planning	<ul style="list-style-type: none"> • Revise the Five Year Capital Plan incorporating Council endorsed strategies, master plans and renewal needs. 	Asset Services	February 2007	June 2008 new deadline
1.2 Town Planning delays	<ul style="list-style-type: none"> • Adopt standard timelines to obtain permits when evaluating Business Cases • Issuing of permits to be a mandatory milestone and hold point for consideration in the allocation of funding. 	Asset Services	December 2007	Complete
		Capital Works Evaluation Team	January 2007	Complete
1.3 Poor stakeholder management	<ul style="list-style-type: none"> • Adopt the organisational stakeholder management framework to capital works projects. 	Client Managers	December 2007	Complete
1.4 Poor understanding of asset condition	<ul style="list-style-type: none"> • Undertake building condition survey • Undertake road and footpath condition survey. • Undertake drain condition survey 	Buildings & Green Services	November 2007	Underway Ongoing action
		Asset Services	January 2008	
		Asset Services	January 2008	June 2008 new deadline

Issue	Action	Responsibility Area	Completion Date	Status
1.5 Improve renewal forecasts	<ul style="list-style-type: none"> • Improve access to historical construction plans for accurate asset age data • Reassess renewal needs • Review assumed lives of assets 	Asset Services	November 2007	Consultant Review underway/ongoing
		Asset Services	January 2008	New deadline June 2008
		Asset Services	March 2008	New deadline June 2008
1.6 Improve strategic asset analysis capability	<ul style="list-style-type: none"> • Install Advanced Asset module in SAM 	Asset Services	April 2008	
1.7 Lack of forward renewal projects	<ul style="list-style-type: none"> • Apply resources to identify projects. • Undertake a design program for projects to be constructed in following financial year. 	Asset Services	May 2008	Complete
		Building & Green Services Infrastructure Services		Underway
1.8 Projects poorly defined	<ul style="list-style-type: none"> • Hold an information session regarding business case submissions • Review business case submissions and seek improvements • Evaluate business cases and reject poorly defined submissions 	Asset Services	September 2007	Complete – Sept 2007
		Asset Services	November 2007	Complete
		Capital projects evaluation team	January 2008	Complete

Area 2 Responsibility and Accountability

Issue	Action	Responsibility Area	Completion Date	Status
2.1 Roles and responsibilities unclear	<ul style="list-style-type: none"> Revise the Capital Expenditure Management Plan Define the roles and responsibilities of the Client Manager and Project Manager 	Asset Services	October 2007	New deadline June 2008
		Asset Services	September 2007	Complete - Added to Business Case Template
2.2 Reliance on good intentions	<ul style="list-style-type: none"> All projects to have project plans. Progress to be monitored against project plans 	Asset Services	December 2008	Complete
		All Project Managers	September 2007	Complete
2.3 Capitalisation of projects lagging	<ul style="list-style-type: none"> Document project managers responsibilities for capitalisation and handover. List capitalisation as a key milestone for all projects. Monitor achievement of capitalisation milestones 	Asset Services	December 2007	Complete - in business case
		Project Manager	September 2007	Complete – capital works database Complete – monthly monitoring meeting
		Asset Services	September 2007	

Area 3 Monitoring and Reporting

Issue	Action	Responsibility Area	Completion Date	Status
3.1 Existing systems not adequate	<ul style="list-style-type: none"> • Install MS Project Management software as requested • Provide training in use of financial system • Consider enhancements to capital works database 	Information Systems	September 2007	Complete
		Finance	October 2007	New deadline May 2008
		Asset Services	October 2007	Reviewed – need additional reports – June 2008
3.2 Poor communication of issues	<ul style="list-style-type: none"> • Commence weekly reporting of capital works issues at department level • Hold monthly monitoring meetings with project managers • Report capital works KPIs to CAS Managers meeting • Develop standard list of questions for monitoring progress • Report capital works KPI monthly outcomes to the Executive Team 	Managers	September 2007 ongoing	Complete
		Asset Services	September 2007 ongoing	Complete
		Asset Services	October 2007 ongoing	Complete
		Managers	Ongoing	Complete
		Executive Director CAS	September 2007	Complete
3.3 Poor measurement of progress	<ul style="list-style-type: none"> • Record key milestones in the delivery of all capital projects. • Measure the monthly achievement of capital works milestones KPI. • Measure the monthly financial expenditure against forecast KPI • Include capital works milestones in workgroup metrics 	Project Managers	September 2007	Complete – capital works database
		Asset Services	September 2007	Complete – monthly meeting
		Asset Services	September 2007	Complete
		All relevant workgroups	October 2007	Complete

Area 4 Resourcing

Issue	Action	Responsibility Area	Completion Date	Status
4.1 Apply adequate staff resources	<ul style="list-style-type: none"> Adjust the organisational structure as necessary 	Director CAS	ongoing	Ongoing
	<ul style="list-style-type: none"> Engage contractors and agency staff to meet peak workloads 	Project Managers	ongoing	Ongoing
4.2 Lack of staff skills	<ul style="list-style-type: none"> Investigate project management training opportunities 	Asset Services	March 2008	Complete - ongoing
4.3 Capacity to deliver	<ul style="list-style-type: none"> Review capacity of staff to deliver projects 	Director CAS	September 2007	Complete
4.4 Existing processes inadequate	<ul style="list-style-type: none"> Consider alternative project management systems and methodologies 	Asset Services	March 2008	Complete – ongoing