



## Project Control Committee Charter

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### 1. Version Control

Version	Date	Responsible	Comments on changes
1		GM Operations	Initial Project Management Plan
2	01 October 2012	Executive Assistant	Change of name. Creation of formal Charter utilising content from Project Management Plan
3	23 October 2012	Executive Assistant	Revised Purpose & Objectives
4	07 December 2012	Directors	Directors' Review
5	19 April 2013	Directors	Accepted Charter

### 2. Purpose of the Charter

The purpose of this Charter is to document the objectives, responsibilities and administration of the Project Control Committee of Westernport Water.

### 3. Purpose and objectives of the Committee

The Board of Westernport Region Water Corporation (the Corporation) has established a Project Control Committee (PCC) to provide governance to and oversight of Board-referred major projects undertaken by the Corporation, review the Capital Works Program proposed in both the Corporate Plan and the 5 Year Water Plan and provide an evaluation of the delivery of projects undertaken by the Corporation.

### 4. Definitions

- 4.1 **Major Projects** - are those projects to be undertaken by the Corporation which have a total anticipated expenditure exceeding \$500K on completion or those adjudged to present an elevated operational risk to the Corporation.
- 4.2 **New Projects** - are those major projects identified in the Capital Works Program or the 5 year Water Plan which after review by the Committee are recommended to the Board for approval to proceed.
- 4.3 **Referred Projects** - are those Major Projects which had Board Approval to proceed to construction at the time of establishment of the Project Control Committee or its antecedent The Project Control Group or subsequently those new projects obtaining Board approval to proceed to the construction phase that have been referred to the Committee for oversight.
- 4.4 **Post Implementation Reviews** – subsequent to the receipt of Certificates of Practical Completion for each Major Project the Committee will ensure the Board receives a report evaluating the project's delivery.

## 5. Objectives

In seeking to achieve the above objectives the Committee will:

- 5.1 Provide governance and oversight to ensure successful delivery of major projects being undertaken by the Corporation which have been referred to it by the Board;
- 5.2 Investigate the Corporation's internal planning forecasts with a view to ensuring proposed infrastructure provision meets demand in the long term and accords with anticipated growth within the Region;
- 5.3 Provide the Board with an evaluation of the Capital Works Program and the sequencing of the proposed works to be undertaken;
- 5.4 Keep the Board informed of the performance of each major project delivery against key agreed milestones;
- 5.5 Monitor and evaluate the risk identification and management systems in place for each major project;
- 5.6 Provide the Board with post implementation reports outlining delivery experiences and an assessment of the completed project's functionality against original objectives.

## 6. Authority

The Board authorises the Committee, within the scope of its responsibilities, to:

- 6.1 Perform activities within its terms of reference;
- 6.2 Seek any information it requires from:
  - Any employee (and all employees are directed to co-operate with any request made by the Committee);
  - External parties;
- 6.3 Obtain outside legal or other professional advice to assist in undertaking its oversight responsibilities.
- 6.4 Ensure the attendance of the Corporation's officers at meetings as appropriate.
- 6.5 Present its findings and make recommendations to the Board.
- 6.6 The Committee has no executive power with respect to its findings and recommendations.

## 7. Organisation

### 7.1 Membership

- 7.1.1 The PCC will comprise four (4) non-executive Directors plus the Managing Director;
- 7.1.2 The GM Operations, the relevant Project Co-ordinator, the General Manager Risk and Regulation, the General Manager Business Services and the Executive Assistant will be required to attend.
- 7.1.3 The Secretary of the Committee will be a Corporation Manager approved by the Board. The Secretary may not be a member of the Committee.
- 7.1.4 The members of the Project Control Committee should:
  - Have no personal financial interest in the committee's decisions findings or recommendations to the Board;
  - Have a good knowledge of corporate governance practice relevant to the public sector
  - Have a good understanding, enhanced as necessary by appropriate training or access to expert advice, of the areas of capital works management.

- 7.1.5 Members should preferably serve for a period of three (3) years, as knowledge and experience are important to ensure consistency and awareness of history and context. The need to rotate Directors through all Board committees should be considered.
- 7.1.6 A quorum for any meeting will be any three (3) members, including the Managing Director.
- 7.1.7 The Board may appoint alternate members to the Committee in order to obtain a quorum for the committee meeting.
- 7.1.8 The Chair of the Committee will be appointed by the Board from time to time, in accordance with appropriate governance regulations and codes of practice.
- 7.1.9 For each meeting, the Chair of the Committee will set the Committee's Agenda, ensure that key issues are discussed and that there are no conflicts of interest or duty.

## **7.2 Attendance at Meetings**

Meetings will be held monthly, currently two weeks before each Board meeting, to allow for Minutes to be prepared and distributed with Board papers, whilst projects are under review and by arrangement at other times, but at least quarterly;

The Committee may invite such other persons, as it deems necessary to attend and advise at meetings;

The agenda and supporting documentation should be delivered to the Committee members at least three (3) working days prior to each meeting.

## **7.3 Reporting**

7.3.1 The Committee will

- Report to the Board at the first Board meeting subsequent to each committee meeting, regarding the proceedings of each committee meeting, the outcomes of the committee's reviews and recommendations and any other relevant matters;
- record proceedings of each meeting and ensure each meeting record is provided to the Board on a regular and timely basis;
- ensure the Committee's Charter is published on the Corporation's website.

# **8 Areas of Responsibility**

## **8.2 Referred Projects**

With regard to Referred Projects the Committee will:

- 8.2.1 Provide oversight of and ensure an appropriate Governance structure is in place for each project;
- 8.2.2 Review progress of tenders including tender evaluation panel outcomes;
- 8.2.3 Review Management's recommendations regarding entry into a contract with a successful tenderer;
- 8.2.4 Receive regular reports on project progress from Project Managers which should include early warning of issues or disputes with potential to disrupt a project and suggested mitigation strategies;
- 8.2.5 Review project pro-forma model updates, showing actual expenditures versus budget, use of contingency, disputes and projected final expenditures and expected completion schedule;

- 8.2.6 Make recommendations to the Board when required regarding additional costs, project variations or scope changes that require Board approval;
- 8.2.7 Ensure activities and actions undertaken during project delivery accord with the Corporation's Instrument of Delegation and meets the requirements of the Corporation's Purchasing & Procurement Policy.

### **8.3 New Projects**

With regard to proposed New Projects, review and make recommendations regarding any New Projects with a total anticipated expenditure exceeding \$500K on completion, including review of;

- 8.3.1 Statutory planning implications of the project;
- 8.3.2 The business case for each new project;
- 8.3.3 Proposed project management approach and tender processes for the nominated project;
- 8.3.4 Any expected deviations to standard probity processes.

### **8.4 Completed projects**

- 8.4.1 Review and evaluate the Post Implementation Review and make recommendations to the Board, as required, regarding the outcomes;
- 8.4.2 The report should include an evaluation of the project management and an assessment as to whether the projected benefits have been materialised or will be realised in the future;
- 8.4.3 The report should identify the highlights and good practices adopted during the project, the lessons learned and the pitfalls to avoid in the future;

### **8.5 Any other matters referred to it by the Board**

Oversee special investigations as needed or as referred to it by the Board.

## **9 Performance**

The Committee's performance will be reviewed annually and reported to the Board.

## **10 Charter Review**

The Committee will review its Charter three (3) yearly or earlier, should it be required. The outcomes from this review are to be recommended for approval by the Board and the outcome documented in the Board minutes.