## Purpose and background

The purpose of this protocol is to describe the manner in which Project Variations are to be managed during the execution of projects, either under the City Campus Master Plan, or the annual capital expenditure program, comprising refurbishment and major maintenance projects. This Protocol is referred to in the Standing Delegations of Authority.

Council has in the Standing Delegations of Authority (Capital Works section 1.3) delegated authority to approve Variations as long as such Variations do not cause the total project budget to be exceeded, and are managed in accordance with this Protocol document.

## Scope

This document is provided for use when managing projects on behalf of UTS within the Program Management Office (PMO) and Facilities Management Operations (FMO). This protocol covers the management of all changes to project requirements including those that result in a financial impact after approval of the Project Budget by UTS Council.

## Relevant Legislation, Policies and Guidelines

- UTS Standing Delegations of Authority
- UTS Procurement Policy
- UTS Records Management Procedures
- AS ISO 10007-2003 Quality management systems - Guidelines for configuration management

## Protocol Principles

There are agreed points within the PMO/FMO Project Management Process at which approval is sought from UTS Council via UTS PIC for the allocation of budget and the expenditure of funds relating to individual projects. This process is conducted in accordance with UTS procedures, and the approved budget at any point is referred to as the ‘approved project budget’. This budget is the estimated cost of the project, (inclusive of all UTS management costs, design and construction costs) to deliver the ‘approved documented project scope’, with the addition of an agreed ‘project contingency’ figure to cover project risks and uncertainties.
The **approved project budget** is authorised for expenditure by UTS Council in accordance with UTS procedures and based on the Project Cost Plan. Individual transactions are conducted in accordance with Procurement Policy and Standing Delegations of Authority.

Where there is a change that requires a departure from the ‘**approved documented project scope**’, this change must follow the 4 identified steps below. If there is a financial impact the following principles apply:

Where a transaction or group of transactions will exceed the individual budget allocated within the Project Cost Plan additional funds may be allocated from project contingencies in accordance with the Procedure for Project Variations in order to proceed with the Variation

The principles governing the expenditure of project contingencies are as follows:

- The expenditure must be on the project for which it was approved by Council;
- The expenditure should cover only realised project risks and uncertainties;
- Commitment of contingency must follow the 4 identified steps for change management:
  1. Identification of the Need for Change
  2. Assessment of the Impact of Change
  3. Authorisation of the Change
  4. Implementation of the Change
- Expenditure must be appropriately forecast and reported.
- Expenditure must not exceed the approved Council ‘**approved project budget**’.

The expenditure of the agreed contingency figure must be managed in accordance with the following procedures and utilising the nominated forms:

For projects over $2million in value:

**Procedure for Project Variations >$2million**
**Project Change Form >$2million**

For projects under $2million in value:
Procedure for Project Variations <$2million
Project Change Form <$2million

6 Roles and Responsibilities

The staff of the Program Management Office (PMO) and Facilities Maintenance Operations (FMO) and are required to follow the requirements of this Protocol and the related Procedures.

Directors, PMO and FMO are jointly responsible for this Protocol and related Procedures.

7 Related Documentation

Procedure for Project Variations >$2million
Project Change Form >$2million
Procedure for Project Variations <$2million
Project Change Form <$2million

8 Record Keeping

Records are required to be kept in TRIM files in accordance with UTS Record Keeping requirements.