Get in the Game
2018-2020

Project Management guidance for approved projects

Why do I need a Project Manager?
Successful organisations receiving infrastructure funding enter into a Grant Deed with the Department of Housing and Public Works, Sport and Recreation Services that outlines the terms and conditions of the funding contribution.

Grant Deeds will specify cases where the department has determined that projects MUST appoint a suitably qualified and licensed Project Manager to manage the delivery of the approved project.

In all other cases, successful applicants should refer to guidelines provided by the Queensland Building and Construction Commission (QBCC) to determine whether a project manager is required or preferred for their project.

What is a Project Manager?
Essentially, a Project Manager is responsible for managing the delivery of the approved project in a professional and unbiased manner, and in accordance with the relevant program guidelines.

Project Managers should have the necessary skills and abilities to effectively manage construction projects with due care and attention to the successful organisation’s needs and the communities desired outcomes from the project.

The Project Manager is the individual responsible for delivering the approved project, has an important role in interfacing between the project and the client and is responsible for communication regarding the project.

Requirements of a Project Manager
Apart from being suitably qualified, appointment of a Project Manager should also comply with:

- Insurance requirements
- Legislative requirements
- Desired form of contract
- Appropriate fees and charges.

Project Managers Insurances
Where a Project Manager is engaged it will be important to check that they have appropriate Public Liability and Professional Indemnity insurance to undertake their role.

Legislative Requirements in Queensland
Legislative requirements regarding licencing of Project Managers are the responsibility of the QBCC. The license class required be will dependent on the scope of the services being offered and the range of responsibilities associated with that activity. See QBCC website for further information.

Individuals who have successfully completed a degree in architecture, construction management, engineering, or quantity surveying are exempt from holding a license only where they are carrying out works within their professional practice. Work outside their registration is ‘building work’ for which they will need to apply for an appropriate QBCC licence.

Fee and charges
Project Management fees should be in the order of 2.5% to 3.5% of the Total Project Cost depending on the complexity of the project and should be quoted as a lump sum (capped charges).

However, it is important to note that most Project Managers will often include a separate fee for an hourly rate which only applies if additional work is required outside the original agreed scope of the Project Managers engagement.

In addition, occasionally Project Managers may also charge for disbursements and these are normally excluded from any agreed lump sum pricing and could include items such as photocopying, printing, travel costs etc.

Desired skills of a Project Manager
- High level of leadership and communication skills
- Ability to manage the client issues
- Ability to manage the local government approval process
- Ability to manage the design process
- Ability to manage the construction process including the issuing of variations
- Ability to manage risks
- Ability to manage the project within available budget.
Duties of a Project Manager

Understanding of the client organisation
- Understand the nature of the client in relation to decision-making, financial capability, technical capabilities and knowledge of contractual issues
- Understand the end user requirements (including club members, community groups, other sport groups etc.)
- Resolve any conflicts between users to achieve the optimum design and cost outcomes.

Understanding of the project
- Understand project scope
- Understand funding (including funding sources, conditions of funding, constraints and limitations)
- Understand time constraints (including sporting season, major events)
- Understand budget (including benchmark costs, market fluctuations, locality issues).

Understanding of design
- Understand all legislative requirements
- Develop functional brief, prepare design brief
- Align scope and budget
- Manage sketch design process
- Manage development of contract documentation
- Facilitate gaining all relevant approvals.

Understanding of tender process
Understand requirements of the local government’s procurement policy or the use of Local Buy where permitted.
- Evaluation of value for money
- Revision of scope to meet tender price.

Understanding of the construction process and technical requirements of a building project
- Understand building disciplines and contracts
- Understand contract administration, and roles and responsibilities
- Manage time, cost and quality of overall project
- Undertake regular reviews of cost and program.

Development of Risk Management strategies
- Review, manage and mitigate risks (technical, financial, environmental, political etc.)

Communication
- Provide regular relevant and meaningful reports
- Include the client in the decision making process.

Definitions

Professional indemnity insurance
This type of insurance covers multiple occupations such as architects, engineers, certifiers and other building consultants and covers claims arising from professional services provided for such matters as professional advice, design, certification, contract administration and project management.

Public liability insurance
This covers the holder if anyone is injured because of the building work on site. If the builder or tradesperson does not have this type of insurance, you (the client) could be liable because you own the property and the project is being undertaken on your behalf.

Need further information?
For further information on this and other funding programs, see the Get in the Game webpage or contact your local Sport and Recreation Services advisor on 13 QGOV (13 74 68).