THE NATIONAL GALLERY

PROJECT MANAGEMENT POLICY

PROJECT MANAGEMENT POLICY February 2007

1   Introduction

A project is defined as a unique set of co-ordinated activities, with definite starting and finishing points, undertaken by an individual or team to meet specific objectives within defined time, cost and performance parameters. A project should contribute to business objectives and have the following characteristics:

- a finite, defined lifespan
- defined and measurable business products
- a corresponding set of activities to achieve the business products
- a defined amount of resources
- an organisation structure, with defined responsibilities, to manage the project.

The major Gallery projects are: Building works, exhibitions and the introduction of information systems (including Multi-media). However there are occasionally projects outside these areas. The preparation of a Scholarly Catalogue could be described as a project, as could the restoration of a painting. This policy only addresses those where the costs are greater than £250,000, however, for substantial procurement associated with new non-IT projects and IT procurement projects the Office of Government Commerce's 'Gateway Process' (www.ogc.gov.uk or Gateway.Helpdesk@ogc.gsi.gov.uk) must be followed.

Most Sainsbury Wing exhibitions, many Building works and a few IS projects fall into this category. Exhibitions already have established procedures, both Building Department and the IS Department have their own detailed policies on Project Management. This note is not intended to replace those policies and procedures, but aims to set generic broad standards Gallery-wide.

Policies/procedures

1. **Approval -** Major projects must be approved by the Management Committee and by one of the following:

- Trustee Board (normally through the Corporate Plan process – eg for exhibitions).
- Trustee Building Committee (most Building projects).
- Finance Committee (where projects arise during the year, or Finance related projects).
- Trustee Committee set up for the purposes of the project (eg East Wing Renewal, Multimedia). This is recommended for major projects where outside skills would be useful and/or there is substantial private funding.

    As a minimum the submission must include the name of project, purpose of project, costs, funding details, name of Project Manager, risks associated with the project, brief statements on Gallery objectives addressed, alternative approaches, specific benefits (financial and non-financial), principal stakeholders, commitments to third parties, time critical target dates and the completion target.

2. **Funding -** The funding must be discussed with Development and Finance before any commitments are entered into.

3. **Project Management**

- **Project Manager -** Each project must have a Project Manager who is a member of staff. Though day-to-day project management can occasionally be contracted out, there must be an individual Gallery member of staff who is responsible for the management of the project, including the budgets and liaising with Development

on Funding. In certain circumstances, the member of staff could be recruited on a short-term contract. It is vital that this individual has sufficient time to manage the project, and it must be clear to whom that individual reports (The "Project Monitor"). This is the Senior Responsible Officer who could be the Head of a specific department or the Chair of a Committee such as the Information Strategy Group or Steering Group set up for the project. For large or unusual projects the use of a Steering Group is recommended.

- **Project Client** – Each project must also have a project client who is a member of staff with responsibility for defining the project aims and ensuring the project direction is consistent with these aims. The project client will not usually be a specialist in project delivery rather a representative for the Gallery.

4. **Project plan -** setting objectives, budget and timetable. The Project Manager must set the plan out at the beginning of the project and agree it with the Project Monitor. Finance can assist on the preparation of the budget, and should always be kept informed. Finance should in particular be consulted on any forecasts for income generated/efficiency savings from the project. Budgets should generally identify third party costs, additional staff costs specifically incurred for the project, **and** internal staff costs.

5. **Procurement** - Finance (procurement unit) should be consulted on process, particularly to ensure tendering/EU procedures are complied with. All normal procurement rules will apply (see Budget Guide and Purchasing Manual), though additionally, a summary of tender submissions should be provided to the Project Monitor for approval. Finance should be consulted on all contracts.

6. **Project monitoring -** The Project Manager should agree the monitoring process with the Project Monitor. Normally this would involve regular (say, fortnightly or monthly) meetings with the Monitor, and a standard agenda including timetable, any variations in scope, and cost vs. budget. The Project Manager should also make occasional reports to the Management Committee and the Trustee Committee which approved the project.

7. **Risk Management –** Best practice underlines the need for the active management of risk throughout the life of the project, with particular attention to overrunning time and cost and/or failing to deliver a successful outcome. The use of a risk register is a key tool for managing risk and it should be reviewed and updated continually throughout the life of the project.

8. **Budget monitoring -** Though prime responsibility for budget monitoring falls to the Project Manager and Project Monitor, Finance should be kept informed on a regular basis of the progress of the project vs budget. The Finance department should keep a record of all current projects, with a note on progress. Any overspend must have prior approval from the Director of Finance or Director of Administration.

9. **Project completion -** It is helpful if the Project manger prepares a brief report on the project (objectives achieved, cost vs budget, timing vs original timetable). This should include lessons learned.

10. **Training -** Training of staff in new procedures may be an important element of the project and where relevant must be included in the plan and budget.

11. **Post – project monitoring -** For many projects, especially IS ones, completion (or implementation) is only the beginning. It should be clear who is responsible for any new procedures put in place during the project and/or monitoring the impact of the project. Ideally an evaluation of the project would take place some time after completion.