

# **Project Initiation and Business Cases Handbook**

## **Chapter 2**

### ***Project Governance***

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## Overview

1.1. Governance provides the over-arching structure and strategy that provides accountability and direction for a project, programme or organisation. Robust and appropriate governance influences behaviours and cultures and is essential to the successful delivery of any project. It comprises authorising, directing, empowering and overseeing management. The governance of portfolios, programmes and projects should be an integrated part of the organisation’s overall governance and all projects and programmes should have an appropriately resourced governance structure. [The Scottish Public Finance Manual](#) provides general guidance on procuring, managing and monitoring the delivery of [major investment projects](#).

## Guidance

2.1. Section 4.1 of the [Infrastructure Projects Authority Project Delivery Functional Standard](#) provides a helpful overview of the Governance Framework which may be followed. Note that the Standard is applicable guidance in England only and whilst we view it as good practice, the conventions set out on page two of the standard are advisory only in application to Scotland. Reference to HM Treasury spending team for inclusion on the Government Major Project Portfolio (GMPP) does not apply in Scotland.

2.2. Further Guidance is also available through the [Scottish Government Good Governance Guide](#).

## Governance Structure

3.1. A possible project governance structure is shown below:

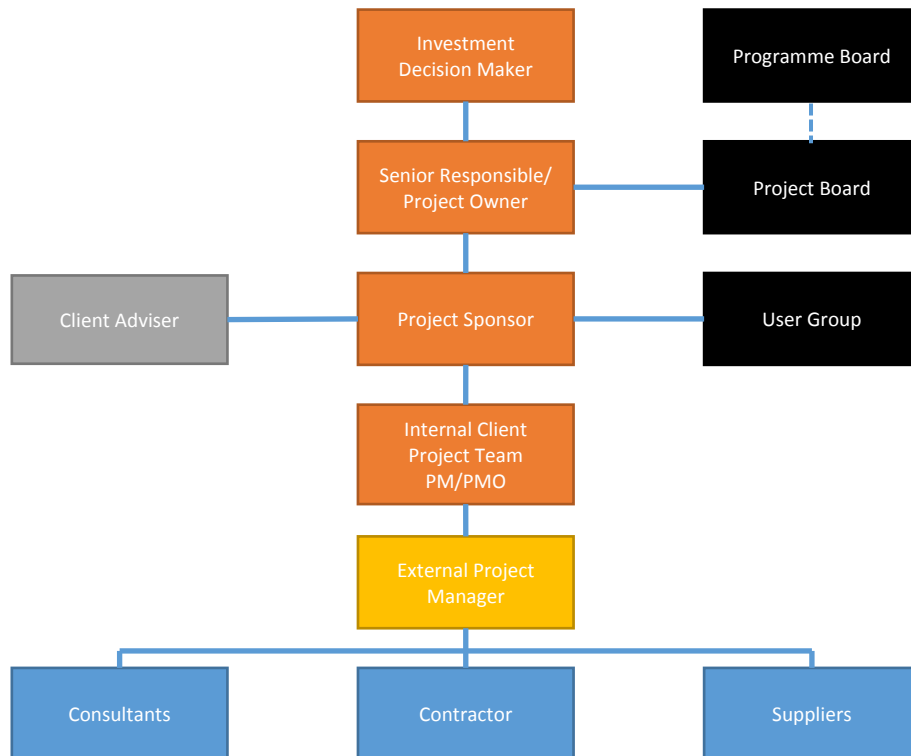


Figure 1: A possible governance structure

3.2. This structure is not absolute and should be adapted accordingly to ensure an appropriate and proportionate structure which is most relevant for the project.

## **Documentation**

4.1. Proportionate to the scale and complexity of the project, an appropriate documentation suite should be developed. This documentation will determine the rules for delivery of the project and outcomes and will assist in providing and maintaining direction for the project. This suite may include the following:

- Business Case and Options Appraisal.
- Project Execution Plan.
- Risk Management Plan and Register.
- Programme and Project Board remits.
- Change Control Plan.
- Comms plan.
- Project Programme.

## **Summary**

5.1. A robust and efficient governance system is essential to support decision making and communications to any project, it ensures that timely decisions can be made and lines of responsibility are clear.