

Capital Projects Management Policy

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¹ Internal consultation with other departments within the University should be noted

² Other for instance staff representatives or other stakeholders

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Feedback or issues arising on implementation of this Policy should be communicated to the Policy author.	
Policy Author:	Capital Projects Managers (Keith Williams and Paul Quirke)

Policy Management Framework Compliance Review as requested by EMT all draft Policies should be reviewed by the Policy Review Group ³ in advance of review by EMT. Please confirm that the Policy was reviewed by the Policy review group.	
Date Policy Reviewed:	This is the first publication therefore it has yet to be reviewed

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Contents

Document Details.....	1
Contents	3
1. Introduction	4
2. Background.....	4
3. Purpose.....	4
4. Scope	4
5. Principles	5
6. Policy	5
7. Governance	6
Governing Body	6
Finance & Capital Investment Committee.....	6
President:	7
Executive Management Team (EMT)	7
Capital Projects Committee (CPC)	7
Project Steering Group (PSG)	7
8. Compliance	8
9. Review of Policy.....	8
10. Policy Author	8
11. Useful Links.....	9
Appendix 1 - Capital Projects Committee (CPC) – Terms of Reference	10
Membership	10
Responsibilities	10
Reporting.....	10
Appendix 2 - Project Steering Groups – Terms of Reference	11
Membership	11
Responsibilities	11
Reporting.....	11
Appendix 3 – SETU Capital Projects Operations Structure	12
Appendix 4 – SETU Capital Projects Governance Structure	13
Appendix 5 – Definitions	14

1. Introduction

The University invests in existing and new facilities (including buildings, equipment and systems) on an ongoing basis, such investments are required to address changes in both capacity needs and appropriateness of available facilities.

These investments, referred to as Capital Projects, tend by their nature, to be large in scale and involve significant financial investment, the development of each project may span over several years and the life span of such facilities usually extends over a long period of time.

2. Background

The University seeks, at all times, to follow current best practice in the development of its Capital Projects and is conscious that, as a recipient of public funding, it is also required to abide by government guidelines. The primary government guidelines on which this Policy is based are the:

1. [Infrastructure Guidelines \(2023\)](#) which set out best practice, governance and oversight arrangements and value for money guidelines for the evaluation, planning and management of public investment projects/publicly funded Capital Projects.
2. [Capital Works Management Framework \(CWMF\)](#) which relates to public sector procurement arrangements for construction and related consultant contracts. CWMF consists of a suite of best practice guidance, standard contracts, conditions of engagement and generic template documents and rules guidance notes regarding tender, arbitration, cost planning and control, suitability assessment and project delivery process etc.

3. Purpose

The purpose of this Policy is to provide a framework to guide the management of Capital Projects in compliance with EU procurement directives, circulars and guidance issued by the Department of Public Expenditure, National Development Plan Delivery and Reform (DPENDR), the Higher Education Authority (HEA), and other funding bodies/agencies as appropriate.

4. Scope

This Policy applies to all employees (whether employed on a permanent, fixed- term or temporary contract, trainees) seconded staff, agency staff, consultants, or third parties acting on behalf of or engaged by the University.

It is the responsibility of:

- all employees, and relevant parties as outlined above, involved in the management of Capital Projects to familiarise themselves with the content of this Policy and to adhere to the expected standards; and
- all design teams (in accordance with their Conditions of Engagement) will be required to comply with this Policy and to inform all relevant associated parties of the requirements to comply with this Policy.

The Policy shall be made generally available and published publicly via the University web-site.

5. Principles

The guiding principles for the management of SETU policies are that they:

- Be informed by national and international best practice.
- Comply with national legislation and EU legislation as appropriate.
- Are drafted in consultation with relevant stakeholders who have an opportunity to contribute to the process.
- Be developed in conjunction and align with existing policies and regulations.
- Be developed in line with this framework to ensure high quality documents that reflect the University's commitment to excellence.
- Be developed according to a standard procedure to ensure consistency.
- Comply with SETU Branding Guidelines.
- Be in keeping with the University's commitments to Equality, Diversity and Inclusion (EDI), ensure that policies are non-discriminatory, use gender inclusive language, and are fair and inclusive in meeting the legitimate needs of the diverse groups that make up the University community.
- Be assigned an Owner who has overall responsibility for the implementation of the policy or procedure and an Author who is responsible for drafting the policy and co-ordinating any feedback.
- Be easily accessible and published, in the first instance, on the Governing Body Statements & Policies web page and subsequently on the relevant section of the SETU website which broadly are on the Academic Affairs pages for academic policies and procedures, on the Governance page on the SETU website for non-academic policies, the Research page for research policies, the HR page for HR policies and the Computer Services page for Computer Services policies.
- Are communicated in a timely and effective manner.
- Undergo regular monitoring and review to ensure that they remain fit-for purpose.

6. Policy

Expenditure on all Capital Projects shall comply with the relevant DPENDR Guidelines. These guidelines include but are not limited to the following:

- [Infrastructure Guidelines \(2023\)](#)
- [Capital Works Management Framework \(CWMF\)](#)
- [Public Procurement Guidelines for Goods and Services](#)
- HEA Devolved Control Procedures (where applicable)
- Procedures required by other funding bodies (where applicable)
- [Directive 2014/24/EU, or as amended, of the European Parliament](#)

7. Governance

All University Capital Projects will be governed within the following organisation and process structure:

Governing Body:

The Governing Body exercises oversight of all University activities, including Capital Projects, and has primary responsibility for evaluating, planning and managing Capital Projects within the parameters of the Infrastructure Guidelines.

Governing Body retains responsibility for review and approval of all Capital Projects with an estimated value greater than €5m. This responsibility applies to both the review of each project at each relevant Approval Gate or Stage and approval of related expenditure commitments.

On projects where the Governing Body is required to fulfil the role of “Sponsoring Agency”, its key responsibilities in this regard are:

- Approving Strategic Assessment (where required) and Preliminary Business Cases and submitting same to the Approving Authority for Approval in Principle at Approval Gate 1;
- As part of the Pre-tender Design, Planning and Procurement Strategy Stage, approving the Detailed Business Plans and submitting same to the Approving Authority for approval at Approval Gate 2 to proceed to tender;
- Oversight of the procurement of the projects;
- Approval of Final Business Cases and submitting same to the Approving Authority for approval at Approval Gate 3 to award the contract;
- Oversight of Implementation Stages of projects including the ongoing viability of projects and notifying the Approving Authority immediately of any relevant issues;
- Approval of Project Completion Reports to the Approving Authority as project concludes; and
- Where required, approving ex-post evaluation of capital investment proposals and submitting same to the Approving Authority.

For projects of a significant value, size and scale the Governing Body may appoint an independent monitor who will report directly to the Governing Body in matters such as quality, budget, time lines and risk.

The Governing Body will be regularly updated by the President or their nominee regarding the University’s Capital Projects.

Finance & Capital Investment Committee:

The Finance and Capital Investment Committee (FCIC) of the Governing Body is responsible for the detailed review and approval of all Capital Projects with an estimated value greater than €1m, and all related capital expenditure commitments and budgets prior to recommending same, for approval or otherwise, to the Governing Body. All Capital Projects, with an estimated value greater than €5m must also be forwarded to the Governing Body for review and approval post review by the Finance & Capital Investment Committee.

The Finance and Capital Investment Committee will be regularly updated by the President or their nominee regarding the University’s Capital Projects.

President:

The President, as the Accounting Officer of the University, has overall responsibility of the University's Capital Projects.

The President chairs the Executive Management Team (EMT), chairs and appoints the members of the Capital Projects' Committee and appoints the chairs and members of the individual Project Steering Groups.

The President receives regular reports in relation to the University's Capital Projects from relevant steering groups and provides regular reports to the Governing Body.

Executive Management Team (EMT):

The EMT, which is chaired by the President, is responsible for establishing the Capital Projects Committee (CPC) as one of its sub-committees. It approves the terms of reference of the CPC and receives both regular reports from the CPC and the minutes of all its meetings.

EMT reviews recommendations from the CPC for Capital Projects with an estimated value greater than €500,000 and, if satisfied, approves same. All approved Capital Projects, with an estimated value greater than €1m, must be forwarded to the FCIC for review and approval post review by EMT.

Capital Projects Committee (CPC):

The Capital Projects Committee is a sub-committee of the EMT and is responsible for detailed planning and monitoring of all University Capital Projects with an estimated value greater than €200,000.

The CPC is chaired by the President. The President appoints the members of the committee.

CPC is responsible for establishing individual Project Steering Groups, in consultation with the President, and approves the terms of reference of each group. It receives regular reports from each Project Steering Group and is responsible for detailed review of the University's overall capital development programme.

CPC is responsible for approving Capital Projects with an estimated value greater than €200,000 and for recommending Capital Projects with an estimated value greater than €500,000 to EMT for approval and, where appropriate, at each stage of the project lifecycle, in line with relevant government guidelines.

Project Steering Group (PSG):

A Project Steering Group (PSG) will be established up by the Capital Projects Committee for each individual Capital Project with an estimated value greater than €200,000. Each Project Steering Group will be responsible for the successful conduct and delivery of its project in accordance with the Infrastructure Guidelines and the Capital Works Management Framework (where applicable). The PSG will be chaired by a nominee of the President and the membership will also include an Executive Sponsor who is a Senior End User of the Project.

PSG membership will include University staff with relevant qualifications and experience together with appropriate external consultants. For Capital Projects with an overall project value in excess of €20m an external chair of the Project Steering Group may be appointed. Also, for projects of a significant value, size and scale the Governing Body may appoint an independent monitor who will report directly to the Governing in matters such as quality, budget, time lines and risk.

PSG will provide governance oversight to advance each project:

- Preparing the Strategic Assessment and Preliminary Business Case including conducting appropriate financial, economic and sensitivity appraisal and submitting it to CPC for detailed review before recommending it to EMT for Approval in Principle at Approval Gate 1.
- As part of the Pre-tender Project Design, Planning and Procurement Strategy Stage, preparing a Detailed Business Plan including detailed costs, establishing user requirements and a detailed design brief, a Risk Management Plan, a Benefits Realisation Plan, commercial and management arrangements, and a Procurement Strategy. Submitting the Detailed Business Plan to CPC for detailed review before recommending it to EMT for approval at Approval Gate 2 to proceed to tender.
- Procuring the project in line with national procurement guidance and, where applicable, the Capital Works Management Framework and updating the Final Business Case to take account of all the new information arising from the tender including cost and scope before seeking approval of CPC at Approval Gate 3 to award the contract.
- Monitoring and managing the Implementation Stage of the project in line with approval given, including regular reporting to CPC on programme, quality and budget, and robust management of the contract including the viability of the investment proposal and notifying CPC immediately of any issues;
- Planning and conducting a review of the investment proposal, incorporating lessons learned into processes and guidance, and submitting a Project Completion Report to the CPC as the project concludes; and
- Planning and conducting an ex-post evaluation of the capital investment proposal incorporating lessons learned into processes and guidance and submitting same to CPC.

Note: for capital projects with an estimated value of less than €200,000, these will be managed by the Capital Projects Manager with oversight by the Capital Projects Director. All such projects will be required to comply with the relevant national procurement guidelines and circulars; most notably Circular 05/2023 published by the Department of Public Expenditure NDP Delivery and Reform.

8. Compliance

It is expected that all employees of the University will comply with this Policy.

9. Review of Policy

This policy will be reviewed in advance of the review date i.e. 18 December 2027, and/or as soon as possible following new or updated legislation, national or sectoral policy.

DPENDER retains ownership of the Infrastructure Guidelines and the CWMF and reviews and updates the framework documentation on a regular basis.

10. Policy Author

The authors of this policy are the Capital Projects Managers. Any feedback or issues arising on implementation of this policy should be communicated to the policy authors. They are responsible to ensure that the Policy Owner is aware of these comments when reviewing the policy.

11. Useful Links

[Infrastructure Guidelines \(2023\)](#)

[Capital Works Management Framework \(CWMF\)](#)

[Public Procurement Guidelines for Goods and Services](#)

[Directive 2014/24/EU](#)

[National Development Plan 2021 - 2030](#)

Appendix 1 - Capital Projects Committee (CPC) – Terms of Reference

The Capital Projects Committee (CPC), which is a sub-committee of Executive, is tasked with overseeing the assessment, planning and implementation of all University capital projects in accordance with the Government's Spending Code where any one project's cost is expected to be greater than €200,000.

Membership

1. President
2. Senior VP Operations
3. Director of Capital Projects and/or Capital Projects Manager
4. Senior VP Finance and/or VP Finance or other nominee of the Senior VP Finance

Chair of the CPC may invite other appropriate internal or external members to attend meetings as required

Responsibilities

- Provide oversight of the University's Capital Development and monitoring of cumulative capital spending
- High level capital project management
- Recommending capital projects with an estimated value greater than €500,000 to EMT for approval
- Approval of revised capital project budgets and change orders
- Carry out regular Capital Programme Level Risk Assessments
- Ensuring the overall capital programme is aligned with the University's risk appetite

Reporting

Minutes of each CPC meeting are to be submitted to Executive for noting.

Recommendations from CPC e.g. capital projects stage gate approval (initial business case, project budget, pre-tender estimates, tenders etc) are to be submitted to Executive Management Team for approval.

Appendix 2 - Project Steering Groups – Terms of Reference

The Capital Project Steering Group is responsible for the detailed project plan, oversight of its implementation and will in practice take operational decisions related to a particular capital project valued in excess of €200,000.

Membership

1. President or nominee (nominee to be a Senior VP)
2. Project Senior End User, who will be the Executive Sponsor
3. End user, who will be appointed by the Executive Sponsor
4. Director of Capital Projects and/or Capital Projects Manager
5. Nominee of the Finance Department
6. Director of Digital Transformation (or their nominee)
7. Risk and Compliance Manager (or their nominee)

Responsibilities

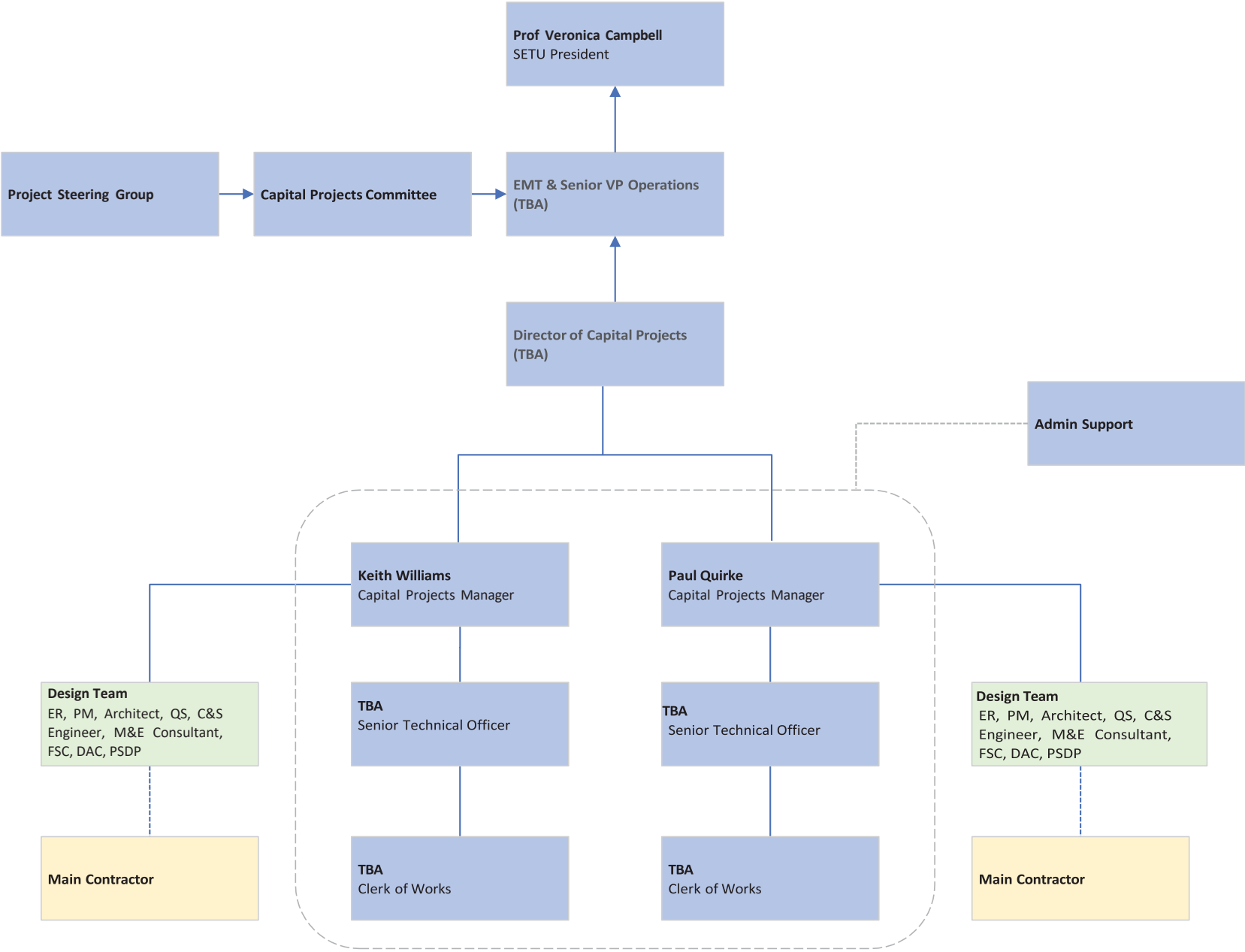
- Oversight of the project management and associated processes, procedures and project implementation
- Project's risk management process and the communication system for the project
- Communications (status updates, cost management, issues etc) to the CPC regarding the project
- Project's cost management and procurement procedures including:
 - o the setting of monthly change order limits on the project;
 - o the approval of change orders in excess of agreed monthly limits; &
 - o Tracking of cumulative change orders for the project.

Reporting

- The minutes of each Steering Group meeting are to be submitted to the CPC.
- Any urgent or critical issues identified by the Steering Group are to be escalated to the CPC.

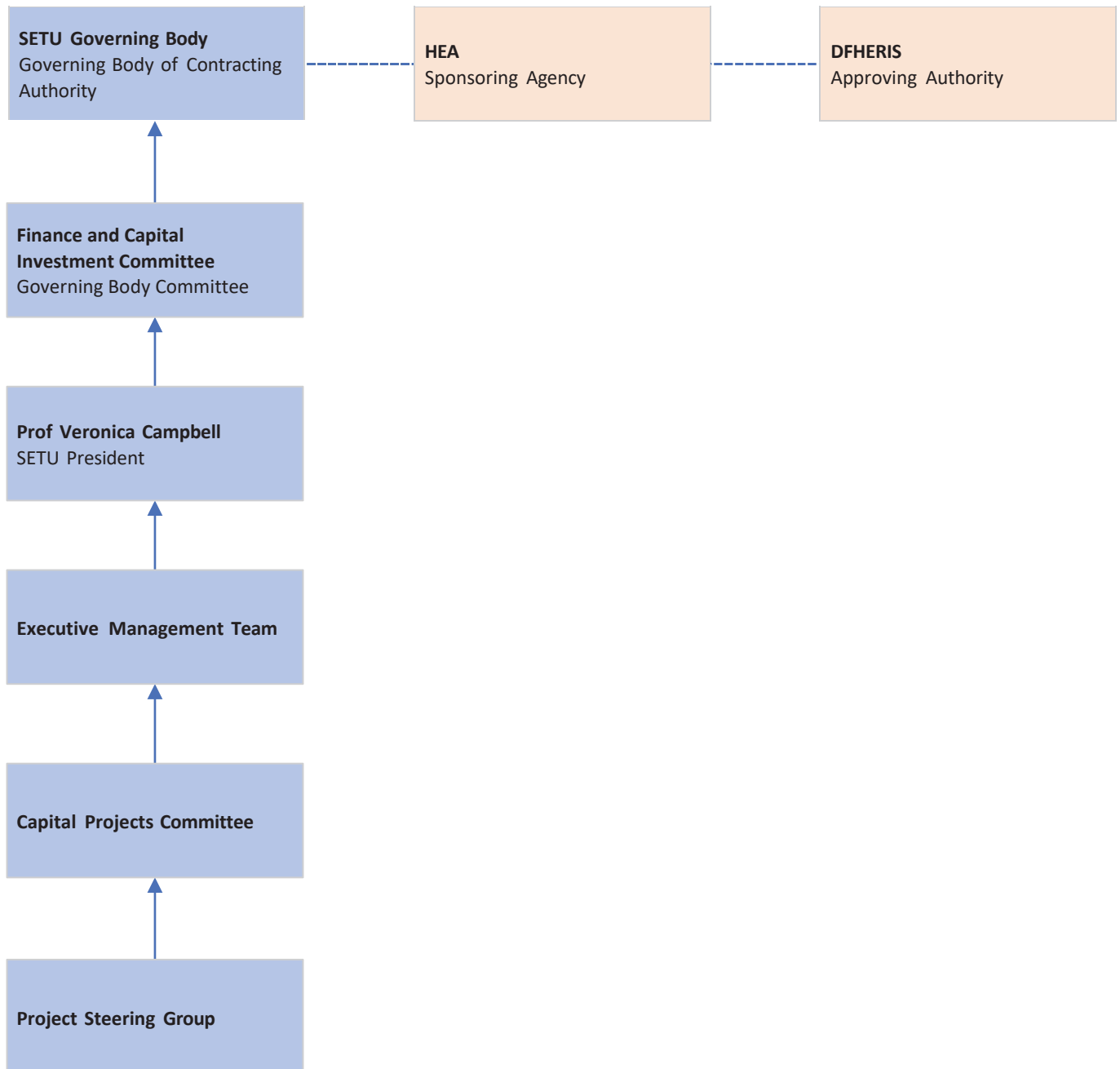
Appendix 3 – SETU Capital Projects Operations Structure

Appendix 3 – SETU Capital Projects Operations Structure



Appendix 4 – SETU Capital Projects Governance Structure

Appendix 4 – SETU Capital Projects Governance Structure



Appendix 5 – Definitions

Sponsoring Agency: The Sponsoring Agency has primary responsibility for evaluating, planning and managing public investment projects within the parameters of the Infrastructure Guidelines. The Sponsoring Agency may be a government department, local authority, state agency, higher education institute, cultural institution or other state body. Unless confirmed otherwise by DFHERIS or the HEA, the Governing Body of SETU will be appointed as the Sponsoring Agency for all SETU Capital Projects.

Approving Authority: The Approving Authority is the Government Department funding the programme / project. For SETU Capital Project this will typically be DFHERIS.

Accounting Officer: The Accounting Officer is a senior official (normally the Secretary General) in each Government Department/Approving Authority who is specially and personally charged with signing the Appropriation Account and who is accountable for the propriety of the Department's expenditure, the accuracy of the account and for prudent and economical administration.

Strategic Assessment and Preliminary Business Case: The Strategic Assessment & Preliminary Business Case Stage is the first stage of the project lifecycle and is critical for developing the strategic case for the proposal, considering in detail the range of options available and identification of risks to decide whether a project has a case for proceeding. The Preliminary Business Case incorporates the Strategic Assessment, detailed options appraisal and when finalised will also incorporate assessments of risk along with the proposed approach to implementation of the proposal.

Final Business Case: The Final Business Case is the last and final approval stage in the project lifecycle. The purpose of the Final Business Case is to reassess the assumptions underpinning the Preliminary Business Case and reconsider the findings emerging. At this stage in the process there will be much greater understanding of a range of critical issues including costs, benefits, risks, delivery and affordability. The Final Business Case reflects this enhanced body of knowledge relating to a proposal and reassesses the ongoing validity of continuing with the investment.

Project Completion Report: The purpose of the review is to assess if an investment proposal was delivered in line with its intended scope and budget and in line with the Infrastructure Guidelines. The wider purpose is to ensure lessons learned from the project or programme translate into improved knowledge for the sector and wider public service. Reviews are done systematically and feed into sectoral and national guidance as appropriate. The output of the review is the Project Completion Report.

Ex-Post Evaluation: The purpose of the Ex-Post Evaluation is to determine if the intended benefits and outcomes materialised and to judge the impact of the investment proposals intervention. The wider purpose is to translate the lessons learned on investment proposals into sectoral and national guidance to support public bodies in delivering public investment projects with the desired identified outcomes.