SOP CC-008: Project Controls Plan Development

CC-008 | v01

Version: v01 | **Date:** 2026-04-03 | **Domain:** Cost Controls | **Priority:** CRITICAL

Status: Published | **Published by:** Faolan Consulting

1. Purpose and Scope

Purpose: To define the procedure for developing, approving, and maintaining a Project Controls Plan (PCP) that governs all project controls activities for a capital project.

Scope: Applies to all capital projects where Faolan provides project controls services (EPCM, PMC, or owner-representative). The PCP must be developed before the project execution phase commences.

Out of scope: Programme-level controls integration (separate programme controls plan). Operational phase monitoring.

2. Definitions and Abbreviations

Term	Definition
CBS	Cost Breakdown Structure
EPC	Engineering, Procurement, and Construction
EPCM	Engineering, Procurement, and Construction Management
PCP	Project Controls Plan
PMC	Project Management Consultant
RACI	Responsible, Accountable, Consulted, Informed
WBS	Work Breakdown Structure
WP	Work Package

3. Roles and Responsibilities (RACI)

Activity	Project Controls Manager	Cost Controls Officer	Scheduling Lead	Project Manager	Client (Owner)
Initiate PCP development	R	C	C	A	I
Draft PCP sections	R	R	R	C	I
Review PCP	C	C	C	A	C
Approve PCP	C	I	I	A	A

Activity	Project Controls Manager	Cost Controls Officer	Scheduling Lead	Project Manager	Client (Owner)
Distribute PCP	R	I	I	I	I
Maintain and update PCP	R	C	C	I	I
Issue PCP revision	R	C	C	A	I

R = Responsible, A = Accountable, C = Consulted, I = Informed

---

4. Procedure

4.1 Trigger Conditions

Develop a PCP when any of the following occur:

- New project award or EPCM/PMC appointment
- Project phase transition (pre-FEED to FEED, FEED to execution)
- Significant scope or contract structure change requiring controls realignment
- Client request for standalone PCP document

4.2 PCP Development Process

Step 1: Gather project context

1. Obtain the following documents before drafting:

- Project scope of work or EPCM contract

- Client project controls standards and requirements (if any)

- Approved project budget and schedule baseline (if available at this stage)

- Organisational chart (project team)

- Contract form (lump sum, reimbursable, target cost, etc.)

2. Confirm the project CBS structure with the Project Manager (align to client WBS if required).
3. Confirm reporting calendar: cut-off dates, report issue dates, review meeting schedule.

Step 2: Draft mandatory PCP sections

The PCP must include the following sections as a minimum:

Section	Content
1. Project overview	Project name, client, contract type, TIC, key dates, project team
2. Controls objectives	Specific performance targets (CPI, SPI targets, contingency thresholds)
3. CBS and WBS	Full CBS hierarchy aligned to WBS; coding structure
4. Cost control procedures	How CC-002 is applied on this project; frequency, tools, authority levels
5. Change management procedures	How CC-005 is applied; approval matrix for this project's value levels

Section	Content
6. Estimate basis	Estimate class at each phase (refer to ES-001, ES-003)
7. Schedule management	Scheduling tool, baseline lock dates, update frequency, critical path logic
8. Progress measurement	Earned value methods per CBS element type
9. Reporting	Report formats, distribution list, frequency, escalation triggers
10. Risk management	Cost risk register approach, contingency basis, Monte Carlo if applicable
11. Document control	Where project controls documents are filed; version control
12. Roles and responsibilities	RACI matrix for this specific project

Step 3: Review and approval

1. Project Controls Manager circulates draft PCP to Project Manager and client representative for review.
2. Review period: 5 working days. Reviewers return marked-up comments.
3. Project Controls Manager resolves comments and updates the PCP.
4. Project Manager and client representative (where required by contract) sign the approval page.
5. Issue approved PCP to all project team members and file in the document register.

Step 4: PCP baseline lock

1. After approval, the PCP becomes the project controls baseline document.
2. Any subsequent changes to procedures, reporting frequency, CBS structure, or authority matrices require a formal PCP revision (version increment).
3. Maintain a revision history in the PCP document.

4.3 PCP Maintenance

1. Review the PCP at each project phase gate or major milestone.
2. Update if any of the following change:

- Project team (key roles)
- Contract type or value
- CBS structure
- Reporting requirements
- Approval authority thresholds

3. Issue revised PCP with version number increment (v01, v02, etc.) and distribute to full project team.
4. Archive previous versions in `02_Archive\`.

4.4 Decision Points

• **PCP not approved before execution phase commences:** Escalate to Project Manager. Do not commence cost baseline loading until PCP is approved.

• **Client has conflicting controls requirements:** Document the conflict in the PCP, resolve with client, and record the agreed approach.

• **Project scope changes significantly mid-execution:** Assess whether a PCP revision is required. Changes affecting CBS structure, reporting, or authority levels require revision.

5. Inputs and Outputs

Item	Type	Source / Destination	Frequency
Project scope of work	Input	Client / Contract	Once
EPCM/PMC contract	Input	Client	Once
Client controls standards	Input	Client	Once
Approved project budget	Input	Project Sponsor	Once (or per phase)
Schedule baseline	Input	Scheduling Lead	Once (or per phase)
Project Controls Plan	Output	Project team / Client	Once + revisions
PCP revision	Output	Project team / Client	Per trigger

6. Tools and Templates

Tool / Template	Purpose	Location
PCP Template (Word)	Standard PCP document structure	`05_Templates\`
CBS Template	Standard CBS hierarchy	`05_Templates\`
RACI Template	Roles and responsibilities matrix	`05_Templates\`
AACE 60r-10	Recommended practice for PCP development	`04_ReferenceData\`
Barrick CPS4 PC PD 01001	Reference project controls framework	`04_ReferenceData\`

7. References

- AACE International Recommended Practice No. 60r-10: Developing the Project Controls Plan
- AACE International Recommended Practice No. 10S-90: Cost Engineering Terminology
- Barrick CPS4 PC PD 01001: Project Controls Framework and Plan Development
- Parsons Brinckerhoff (PB) Project Controls Plan Standard Practice

8. Quality Criteria and Checklist

PCP approval checklist:

- [ ] All 12 mandatory sections present and complete
- [ ] CBS aligned to client WBS
- [ ] Reporting calendar confirmed (cut-off dates, issue dates)
- [ ] Authority matrix reflects current contract value and governance
- [ ] Earned value methods defined per CBS element type
- [ ] Risk management approach documented (contingency basis, Monte Carlo if required)
- [ ] RACI matrix reflects actual project team (named individuals, not just roles)

- [ ] Client review completed and comments resolved
- [ ] Signed approval page included
- [ ] Filed in document register and distributed to project team

Quality gates:

Criterion	Target
PCP approval before execution phase	100% of projects
Mandatory section completeness	100%
Review cycle completion	Within 5 working days
Revision issued after trigger event	Within 10 working days

---

9. Revision History

Version	Date	Author	Changes
v01	2026-04-03	Anvil (#20)	Initial draft
