|  |  |
| --- | --- |
| **Project Title** |  |
| **Project Sponsor** |  |
| **Project Leader** |  |
| **Date** |  |
| **Version** |  |

SPACE Report

Scope, Planning and Cost Estimate

*The objective of the SPACE Report is to ensure that the Project Brief is delivered upon and that the agreed business objectives, organisation intent and project scope are fully integrated and optimised.*

*In most cases the Space Report would be produced by a client Project Manager. In the case of a major development, or highly complex project, the support of a design/management contractor, may be required to complete the task. The responsibility by default would be carried by the Project Sponsor.*

*The SPACE Report is to be developed in sufficient detail to demonstrate a clear understanding of the Project Brief. The Scope of Work, covering in detail, all engineering disciplines, must establish the baseline for the project, against which changes can be clearly defined. Realistic timelines and project key milestones are to be shown, and well supported cost estimates developed.*

*Approval of the Space Report is a key quality gate in a project life cycle, representing “project sanction” and authorisation for the project to proceed to the “execution of works”.*

*A typical SPACE Report structure is detailed below and would include, but not necessarily be limited to the following outputs and quality requirements;*

*PART A - Executive Summary*

*PART B – Objectives and KPI’s*

* Business Objectives
* Project Specific Objectives
* Project KPI’s

*PART C - Scope of Work*

* Work Breakdown Structure
* Detailed Scope Statement

*PART D – Project Cost*

* Project budget in detail. (Capex)
* Fixed cost impact of project
* Value Engineering & Cost Opportunities

*PART E- Detailed Timeline*

* Milestones
* Critical Path

*PART F- Project Execution Plan*

* Project Steering Committee
* Stakeholder Management
* Project Resourcing (includes organograms)
* Contracting Strategy
* Procurement Plan
* Risk management plan
* Communications plan
* Quality Management Plan
* Operational Readiness Alignment

# PART A: Executive Summary

* Preface / Introduction
* Interpretation of the Management and Planning Brief
* The purpose, timing and layout of the Space Report
* High level scope, key assumptions, decision support notes
* High level timeline, critical path
* Cost summary, include Forex exposure and risks
* Project Risks
* Exclusions

# PART B: Objectives and KPI’s

## Business Objectives of this Project

* State the Business specific deliverables of this project,

## Project Specific Objectives of this Project

* State the Project specific objectives as agreed with the Project Sponsor

## KPI’s of this Project

List the KPI’s that were agreed for the project, indicate how and when each KPI will be measured.

Minimum KPI’s should include:

* Cost KPI
* Timeline KPI’s
* Performance KPI’s
* Quality KPI’s
* Operational integration KPI’s

# PART C: Scope Statement

## Project Work Breakdown Structure

* Insert WBS down to equipment/machine level

## Scope of Work by Production Area and Engineering Discipline

*A statement of work covering the following engineering disciplines is to be noted:*

* Raw materials storage and handling
* Production and warehousing
* Utilities services and standby policies
* General amenities and site security
* Off-site services and environmental aspects
* Regional operating infrastructure
* Civil / structural and building works
* Mechanical plant, piping and tanks
* Industrial electrics
* Domestic electrics
* PLC and Supervisory systems
* Site Networks
* Control instrumentation and levels of automation

## Basis of Design / Assumptions and Calculations

* Output capacity calculations
* Capacity planning steps and future requirements
* Drawings
* Process Flow Diagrams – contain adequate data to permit a clear understanding of the process concept and the plant design parameters. Sufficient information provided to complete equipment process data sheets.
* First Issue Piping and Instrument Diagrams – a master document that will be further developed during the detailed engineering phase, but needs to include; all process equipment, process lines and directions of flow, line sizes & materials, equipment elevations where dictated by process requirements, instrumentation required for satisfactory plant control, other special requirements.
* Area Plot Plans – a plan view accurately locating major equipment items, buildings, pipe racks and main access routes and service requirements.
* General Site Layouts
* Supporting Documentation
* Equipment and instrument lists
* Basic plant and system operating descriptions
* Capacity planning
* Engineering Standards

*Fit for purpose requirements and alternative proposals to be stated where applicable.*

# PART D: Project Costs

## Capex Project Budget in detail

* Basis of Costs and Assumptions
* Breakdown of major plant items by brewing area cost codes
* Breakdown by engineering disciplines as detailed in the scope section
* Allowances for refurbishment / extraordinary maintenance / general making good and commissioning spares
* Engineering and design costs, project management, construction site management, security, shipping, registration, taxes and other indirect costs
* Allowances for escalation (only justifiable escalation costs allowed)
* Contingencies and risk assessments
* Local and foreign currencies splits / rates of exchange / base dates
* Other off site costs
* Land costs
* Regional infrastructure allowances
* List of exclusions

## Fixed Cost impact of Project

* Project Related Fixed costs (not capitalisable fixed costs, e.g. training)
* Impact of Project on the Operating budget of the plant (detail changes in fixed and variable costs that are impacted by this project)

## Value Engineering / Cost Opportunities

* Proposed cost saving opportunities defined, list the opportunity and detail the risks associated with the opportunity.

## Benchmarking

* Benchmark proposed project to other relevant projects

# PART E: Detailed Timeline

## Key Milestone Dates

* Project kick off
* Project team appointed
* Project sanction (Space Report)
* Operational Staff appointed
* First contractors establish on site
* Long lead items procured
* Mechanical / electrical work completion (phased)
* Commissioning by area
* First brewing
* First packaging
* Performance testing and completion of works
* Project finalization and close out
* Any other important targets that may be required

## Critical Path

## Project Progress Curves

* Progress curves that can be updated monthly to show overall progress (S Curve- cash flow vs. progress*)*

## 

# PART F: Project Execution File

## Project Steering Committee

* Objectives of the steercom.
* Members of the steercom
* Meeting frequency

## Project Stakeholder Identification

* List key stakeholders and state their interest in the project.
* Stop matrix of stakeholders indicating information flow and approval requirements

## Project Resourcing (include Organization Charts)

* Project reporting structures
* Client group interface requirements
* Stop matrix defining project *team, client and other support group roles and responsibilities*

## Contracting Strategy

* Detailed proposed contracting strategy clearly indicating risks and benefits to SABM with each proposed contract

## Project Procurement Plan

* Detailed list of proposed vendors, highlight “single- source” vendors.
* Adjudication criteria
* Adjudication Committee Members

## Project Risk Management Plan

* Insert ranked risk register with action plan- include all design, manufacture, install and commission risks.

## Project Communication Management Plan

* What communication, to whom, when

## Project Quality Management Plan

* How will quality be ensured?
* List of QA plans to be used on the project

## Operational Readiness Alignment.

* How is the operational readiness plan being supported by the project?
* Who is responsible for the Operational Readiness aspect of the project
* What are key operational readiness milestones?

**Financial Indicators (at high level with estimates)**

|  |  |
| --- | --- |
| Capital Investment |  |
| Net Present Value |  |
| Discounted Payback Period |  |
| Internal Rate of Return |  |

**Approvals**

|  |  |  |  |
| --- | --- | --- | --- |
| **Position:** | **Name:** | **Sign:** | **Date:** |
| **Originator** |  |  |  |
| Project Sponsor: |  |  |  |
| Project Manager: |  |  |  |
| Other (Specify): |  |  |  |
| Approving Director 1: |  |  |  |
| Approving Director 2: |  |  |  |