

# PHC Business Case

## Water Industry Development Project

The Water Industry Development Project (WIDP) is an illustrative PHC project record informed by publicly available sector programmes, representative of the kind of regulated infrastructure delivery seen across the sector. The programme reflects a major step-up in water and wastewater infrastructure activity, with investment directed toward improving service resilience, protecting rivers and coastal waters, reducing storm overflow impact, upgrading treatment assets, developing new water resources, and strengthening long-term environmental performance.

This PHC project is a structured example showing how the PHC Service could support a large regulated infrastructure programme by improving visibility of risks, issues, actions, evidence, decisions, and delivery status across multiple projects, contractors, disciplines, and stakeholder groups.

## 1. PROJECT CONTEXT

The Water Industry Development Project (WIDP) is an illustrative PHC project record representing a major regulated water and wastewater infrastructure programme. It is based on public-domain programme characteristics typical of the water sector and contains no confidential information. The purpose is to provide a credible reference model for how Project Health Control (PHC) governance routines can support risk visibility, mitigation follow-through, partner integration, QSRA/QCRA alignment, and leadership reporting in a complex, high-scrutiny delivery environment.

In the water sector, delivery conditions typically include regulatory commitments, environmental performance requirements, construction uncertainty, multiple delivery partners, NEC contract interfaces, customer/community impact, supply-chain pressure, and significant schedule and cost exposure. These conditions create a recurring need for practical governance that makes delivery reality visible and decision-ready.

## 2. CURRENT POSITION AND GAP TO TARGET

**Current position (typical in large regulated programmes):**

- Risk information exists but is often fragmented across project teams, partner registers, and reporting cycles.
- Mitigation actions can drift: logged, discussed, then quietly overdue.
- Partner risk updates vary in quality and arrive inconsistently.
- QSRA/QCRA outputs (where available) can become disconnected from live mitigation and decision-making.
- Leadership reporting can become retrospective and confidence-based rather than evidence-based.

**Target position:** a reliable operating rhythm where risks, actions, evidence, owners, escalation triggers, and quantified exposure are consistently visible across the programme, enabling earlier intervention and clearer decisions.

## 3. OPERATING OPPORTUNITY

WIDP creates a practical opportunity to demonstrate (and then deploy) a repeatable governance control layer for complex water delivery environments. The PHC approach can be applied as a staged, time-bound intervention starting with a short diagnostic review that produces usable outputs (concerns/actions/evidence baseline and decision prompts), then scaling into routine oversight if required.

This operating model is compatible with two delivery routes:

- **Employment route:** PHC discipline embedded by an employed risk/governance lead working inside the existing PMO and risk function.
- **Contract route:** a commercially contracted PHC Service team providing an integrated control layer alongside existing systems and processes.

## 4. PROBLEM BEING SOLVED

The problem is not lack of risk registers. The problem is the gap between *recorded risk* and *active control* in a multi-project, multi-partner delivery environment. Without a disciplined operating rhythm, programmes are vulnerable to:

- late discovery of issues that were visible in fragments but not integrated
- mitigation drift (actions not driven to closure)
- weak ownership and unclear escalation pathways
- optimism bias and reporting that becomes painful reconstruction
- disconnection between quantified analysis (QSRA/QCRA) and day-to-day delivery decisions

PHC addresses this by making work, decisions, and follow-through visible and reviewable through structured concerns, actions, evidence linkage, and routine governance.

## 5. PROPOSED INVESTMENT LOGIC

The investment logic is stage-gated risk reduction: spend a small, bounded amount early to expose governance gaps, validate the real risk landscape, and create decision-ready visibility before costs escalate.

**Stage 1 (recommended entry):** a paid, time-boxed PHC diagnostic (e.g., a 7-Day Review) to establish a baseline of risk visibility, mitigation follow-through, partner integration quality, QSRA/QCRA readiness, and decision ownership.

**Stage 2 (optional):** mobilisation/setup to install the operating rhythm (register quality standards, partner submission standards, dashboard/control view, escalation rules, reporting cadence).

**Stage 3 (optional):** continuation/embedded oversight to sustain visibility and follow-through through the delivery period.

This staged approach avoids over-committing early and provides clear stop/continue decision points based on evidence, not confidence.

## 6. EXPECTED BENEFITS

- **Earlier detection of delivery threats:** integrated view of cross-project and partner-interface risks.
- **Improved mitigation follow-through:** actions tracked to closure with owners, dates, and evidence expectations.
- **Better decision quality:** decision prompts based on current exposure, not lagging narrative.
- **Stronger QSRA/QCRA usefulness:** quantified outputs connected to live mitigations and contingency advice.
- **More consistent partner accountability:** standardised partner updates, quality checks, and escalation for late/weak submissions.
- **Improved reporting trust:** clearer movement, exceptions, and decisions required—less retrospective reconstruction.
- **Audit/assurance readiness:** a structured evidence trail for key claims, decisions, and progress.

## 7. COST AND RESOURCE NEEDS

**Minimum viable entry (Stage 1):** a paid diagnostic review with defined outputs (baseline concerns/actions, risk integration view, control gaps, recommended priorities, and decision prompts). This can be delivered either by an embedded individual (if employed) or by a contracted PHC Service team.

**Resource inputs required from the host environment (if implemented live):**

- Sponsor/PMO point of contact and agreement on scope boundaries
- Access to current risk registers and recent partner updates (controlled and appropriate to permissions)
- Access to schedule/cost interfaces where QSRA/QCRA linkage is required
- Availability of key stakeholders for short workshops/interviews (risk owners, planners, cost/change leads, commercial/NEC)
- Agreement on reporting cadence, escalation triggers, and evidence storage rules

**Cost model:** staged and time-bound. Stage 1 is designed to be a low-commitment entry point, with further phases optional and priced according to scope and coverage.

## 8. WHY GOVERNANCE SUPPORT IS NEEDED

Large regulated programmes fail quietly before they fail publicly: drift accumulates through weak integration, unclear ownership, inconsistent partner updates, and reporting that doesn't trigger timely decisions. Governance support is needed to keep delivery legible and reviewable without adding bureaucracy for its own sake. PHC governance support is a control layer: it strengthens visibility of concerns, clarifies ownership, enforces follow-through on mitigations, and ensures decision-making is supported by traceable evidence rather than optimism and memory.

## 9. RECOMMENDATION

**Recommendation:** adopt a staged PHC entry approach using WIDP as the reference model.

- **Start with Stage 1 (7-Day Review / diagnostic):** produce an evidence-based baseline and clear decision prompts.
- **Decide delivery route:** implement either through an embedded employed role (inside the PMO/risk function) or through a commercially contracted PHC Service team working alongside existing systems.
- **Proceed only if justified:** use the diagnostic outputs to confirm scope, priorities, and governance routines for the next phase.

This creates a real, reviewable business case for governance improvement: small entry cost, high clarity return, and optional scale-up based on evidence.