# Gateway Review Process

Best Practice - **Gateway to success**

# Review 1
# Business Justification & Options - Indicative Business Case

Revised – January 2013

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# Contents

# Introduction to the Gateway process

## Why getting programmes and projects right matters

Programmes and projects provide an important vehicle for the efficient and timely delivery of government strategies and implementing changes as a result of government policies. Procurement expenditure through programmes and projects is a significant and an increasing proportion of total government expenditure. Good and effective management and control of programmes and projects is therefore essential to the successful delivery of Government objectives.

The Gateway process is designed to provide independent guidance to Senior Responsible Owners (SROs), and indirectly to programme and project teams, on how best to ensure that their programmes and projects are successful.

## The Gateway process

The Gateway Review process examines programmes and projects at key decision points in their lifecycle. It looks ahead to provide assurance that they can progress successfully to the next stage; the process is recognised as best practice by the New Zealand Government.

Gateway is mandatory for *qualifying projects* of the following types, regardless of the source of funding:

- acquisition/procurement programmes and projects
- IT-enabled business change
- property/construction developments.

Gateway Reviews are also applicable to the following, but the use of Gateway is not currently (November 2012) mandated for projects of these type:

- policy development and implementation
- organisational change and other change initiatives (with no IT component).

The principles and process in this workbook can also be applied to management of other areas of expenditure in the organisation.

### *Qualifying projects and programmes*

The New Zealand Government's regime for Capital Asset Management (CAM) is designed to improve the quality of asset management and create value for money gains. The CAM regime includes:

- a formal two-stage Cabinet approval process, which applies to all new capital investment proposals with an expected whole-of-life cost greater than $25 million (inc. GST) that:
  - require Cabinet approval (under current rules), or
  - are assessed as high risk based on the New Zealand Gateway™ risk profiling methodology
- a requirement that new, *high risk* capital expenditure proposals will be subject to an additional layer of project or programme assurance, based on the UK OGC Gateway™ approach, irrespective of the funding source.

In 2007, Cabinet Minute 07 44/1 gave initial direction for Gateway's application to projects. In 2010, Cabinet Circular CO (10) 2 refined the requirement and directed that Gateway Reviews be mandatory for all projects identified as *high risk*. This circular is available from the Cabinet Office website: www.dpmc.govt.nz/cabinet/circulars.

The Cabinet-mandated process for determining whether a project is eligible for Gateway is:

1. Departments must, and Crown Agents are expected to, complete an initial Risk Profile Assessment (RPA) for any programme or project that *would expose the Government to significant fiscal or ownership risks if it were not delivered within the projected functionality, cost and timelines* (the "front page of the newspaper" test).

   – Download the RPA from: www.ssc.govt.nz/gateway-rpa-agency-responsibilities, or email the Gateway Unit for a copy: gatewayunit@ssc.govt.nz

2. Where an RPA produces a medium or high risk score, the agency must submit it to the State Services Commission (SSC) Gateway Unit for consideration of eligibility for Gateway. Agencies are requested to submit all RPAs (including those scored Low), so the Gateway Unit is aware of projects in the state sector.

3. The Gateway Unit circulates the RPA to Functional Leaders and other Central Agency groups for review, moderates their comments, and determines whether the project must be subject to Gateway.

4. Alternatively, a Minister may request that a project be subject to Gateway even if it is not formally identified as high risk.

## Value of the Gateway process

Gateway Reviews deliver a 'peer review' in which independent practitioners from outside the programme/project use their experience and expertise to examine the progress and likelihood of successful delivery of the programme or project. They are used to provide a valuable additional perspective on the issues facing the internal team, and an external challenge to the robustness of plans and processes.

The Gateway Review process provides support to SROs in the discharge of their responsibilities to achieve their business aims, by helping the SRO to ensure:

• the best available skills and experience are deployed on the programme or project

• all the stakeholders covered by the programme/project fully understand the programme/ project status and the issues involved

• there is assurance that the programme/project can progress to the next stage of development or implementation and that any procurement is well managed to provide value for money on a whole-of-life basis

• achievement of more realistic time and cost targets for programmes and projects

• improvement of knowledge and skills among government staff through participation in Reviews

• provision of advice and guidance to programme and project teams by fellow practitioners.

## Differences between Projects and Programmes

A **project** has definite start and finish dates, a clearly defined output, a well defined development path, and a defined set of financial and other resources allocated to it; benefits are achieved after the project has finished and the Project Plans should include activities to plan, measure and assess the benefits achieved by the project.

- Project reviews are carried out under Gateway Reviews 0 to 5; typically a project will undergo all six of these reviews during its lifecycle – four before commitment to invest, and two looking at service implementation and confirmation of the operational benefits

- Project reviews may be repeated as necessary depending on the size, scope and complexity of the project

- A review of a project must take into account the programme context within which the project is located, and possible inter-dependencies with other projects in the programme. The review will also indicate how far procurements align with strategic and policy objectives.

**Programmes** are about managing change with a strategic vision and a routemap of how to get there. They are able to deal with uncertainty about achieving the desired outcomes. Programmes typically comprise a number of related projects that will be completed in several tranches over an extended period.

A programme approach should be flexible and capable of accommodating changing circumstances such as opportunities or risks materialising. It co-ordinates delivery of the range of work (including projects) needed to achieve outcomes, and benefits, throughout the life of the programme.

- Programme reviews are carried out under Gateway Review 0: Strategic Assessment

- A programme will generally undergo three or more Gate 0 Reviews: an early review, one or more Reviews at key decision points during the programme (e.g. inter-tranche boundaries), and a final review at the conclusion of the programme

Each of these reviews is described in the appropriate Gateway Review Workbook.

## Gateway Reviews as part of the assurance framework

Every Agency will have its own structures and resources for carrying out internal reviews, healthchecks and audits of its activities, including programmes and projects.  The Gateway Review process provides a snapshot view of progress at a point in time and therefore should be seen as complementary to these internal processes and not a replacement for them.

Organisations should have in place an effective framework to provide a suitable level of assurance for their portfolio of programmes and projects.  This requires management to map their assurance needs and identify the potential sources for providing them. Agencies are encouraged to ensure adequate and timely co-ordination and sharing of information, including plans, between the various internal review functions.

In addition, SROs should be aware of the extent and limitations of the various review processes. For example, the fact that a Gateway Review has taken place does not replace the need for a full audit opinion on the effectiveness of risk management, control and governance in the audited area.

Further, none of these review processes is a substitute for a rigorous governance framework in the organisation to manage key processes, including business planning, investment appraisal and business case management (including benefits management), programme and project management, portfolio management, risk management, procurement/acquisition, and service and contract management.

## Role of the Senior Responsible Owner

A Gateway Review is conducted on a confidential basis for the SRO, who has prime responsibility for initiating the Review. The ownership of the review Report rests with the SRO, who is accountable for the implementation of the recommended remedial action and the programme/project progression.

The SRO is the individual responsible for ensuring that a programme of change or a project meets its objectives and delivers the projected benefits. The SRO should be the owner of the overall business change that is being supported by the project, and should ensure that the change maintains its business focus, has clear authority and that the context, including risks, is actively managed.

The SRO must hold an executive role in the organisation and must take personal responsibility for successful delivery of the programme/project. He/she should be recognised as the owner throughout the organisation.

## Tailoring the Gateway Review

The workbooks published by SSC provide guidance on the structure of each Gateway Review and the areas of investigation to be addressed by the Review Team, together with examples of the evidence which would demonstrate to the Review Team that the project team has taken an adequate approach to the topic.

These topics and the examples of evidence should be regarded as indicative and not prescriptive, within the overall objectives of each review stage.

The Review Team should consider whether additional or different topics need to be addressed and the evidence to be sought.

Approaches may vary according to the context of the programme or project, for example, IT-enabled business change, property/construction, or policy development/implementation.

# Overview of the Gateway process

## The wider context of the Gateway process

| Policy Design | Policy Implementation | Policy Maintenance | Policy Review |
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### PROGRAMME

**START PROGRAMME**

Develop programme mandate

*Early Gateway Review 0*

Key decision point

Develop programme brief

Gateway Review 0: Strategic Assessment

Key decision point

**DELIVER PROGRAMME**

Manage delivery

*Mid Gateway Review 0*

Key decision point

Manage delivery

*Mid Gateway Review 0*

Key decision point

Manage delivery

Gateway Review 0: Strategic Assessment

Key decision point

**CLOSE PROGRAMME**

Key decision point

Gateway Review 0: Strategic Assessment

Close

### PROJECTS

Develop Indicative (Stage 1) Business Case

Gateway Review 0: Strategic Assessment

- Key decision point
- Finalise Business Case

Gateway Review 1: Business Justification & Options

Develop Detailed (Stage 2) Business Case

- Key decision point
- Finalise Business Case

Gateway Review 2: Delivery Strategy

Undertake competitive procurement

- Key decision point
- Sign contract

Gateway Review 3: Investment Decision

Develop, build, test, rollout

- Key decision point
- Go-live

Gateway Review 4: Readiness for Service

**DELIVER PROJECT**

Establish service

Key decision point

*Mid Gateway Review 5: Operational Review & Benefits Realisation*

Close project, manage delivered solution & performance

Key decision point

Gateway Review 5: Operational Review & Benefits Realisation

Decommission solution/exit contract

# Gateway Review 1: Overview

## About this workbook

This workbook supports **Gateway Review 1: Business Justification & Options - Indicative Business Case**. This review investigates the status of the project as it nears completion of the Indicative (Stage 1) Business Case (IBC), to confirm that the project has the appropriate structures and that planning is in place to support the short-list options to carry forward to the Detailed Business Case (DBC). The review seeks to confirm that the project continues to be achievable and likely to deliver what is required.

The Review checks that:

- stakeholders approve the intended benefits from the project
- linkage with programme and organisational objectives is clear
- the optimum balance of cost, benefits and risk has been identified
- the "long list" of options is sufficient and the "short list" is justified.

## Business justification

The project initiation process produces a justification for the project based on business needs and an assessment of the project's likely costs and potential for success. This Gate 1 Review comes while the IBC is being prepared and before any development proposal goes before a Project Board, executive authority or similar group for authority to proceed. This review should be carried out when the IBC (Stage 1) is close to undergoing final review – that is, when the document is nearing completion but while there is still scope to make changes based on the findings of the review.

The Review focuses on the project's business justification. It provides assurance that the proposed approach to meeting the business requirement has been adequately researched and can be delivered. It also confirms that the benefits to be delivered from the project have been identified at a high level, and that their achievement will be tracked using a defined measurement approach.

## Purposes of the Gateway Review 1

- Confirm that the IBC (Stage 1) is robust – that in principle it meets business need, is affordable, achievable, with appropriate options explored and likely to achieve value for money
- Confirm that appropriate expert advice has been obtained as necessary to identify and/or analyse potential options
- Ensure that the long list of options is sufficiently wide-ranging to meet the business needs
- Establish that any feasibility study has been completed satisfactorily and that there is a shortlist of options including a preferred way forward, developed in dialogue with the market where appropriate
- Confirm that the market's likely interest and capacity has been considered

- Ensure that there is internal and external authority, if required, and support for the project
- Ensure that the major risks have been identified and outline Risk Management Plans have been developed
- Establish that the project is likely to deliver its business goals and that it supports wider business change, where applicable
- Confirm that the scope and requirements specifications are realistic, clear and unambiguous
- Ensure that the full scale, intended outcomes, timescales and impact of relevant external issues have been considered
- Ensure that the desired benefits have been clearly identified at a high level, together with broad measures of success and a measurement approach
- Confirm that appropriate governance structures and processes are in place to take the project to the next stage
- Ensure that there are plans for the next stage
- Confirm planning assumptions and that the Project Team can deliver the next stage
- Confirm that overarching and internal business and technical strategies have been taken into account and that the Business Case provides a solid foundation for the planned detailed analysis
- Establish that Quality Plans for the project and its deliverables are in place
- Confirm that the project is still aligned with the objectives and deliverables of the programme and/or the organisational business strategy to which it contributes, if appropriate.

# 1: Policy and business context

| AREAS TO PROBE | EVIDENCE EXPECTED |
| --- | --- |
| **1.1** Are all relevant Government initiatives being addressed? | ■ Evidence that the SRO or equivalent is undertaking their responsibilities as required in relevant policy initiatives. |
| **1.2** Does the preferred way forward meet wider Government and organisational policies, strategic objectives, standards and business change programmes? | ■ Assessment against list of wider government objectives, standards and business change programmes<br><br>■ Assessment against list of current organisational strategy and business objectives and policy initiatives; confirmation of the role of this project in a wider programme or policy initiative<br><br>■ Assessment of business justification as stated in the Strategic Assessment or other strategic documents<br><br>■ For construction projects, contribution to property/ workspace strategy; health and safety, sustainability and design quality are considered<br><br>■ Account has been taken of relevant impact assessment and appraisal issues such as Regulatory Impact, Sustainable Development and Environmental Appraisal. |

| 1.3 | Is the project aware of the Government standards that might apply to it? | ■ Evidence that appropriate standards and Cabinet directives have been considered when assessing the options for delivering the outcomes, e.g. Public Private Partnerships, Shared Services, or other all-of-Government initiatives |
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| | | ■ Legislation, policy and regulatory issues taken into account, including regulatory impact assessment if needed |
| | | ■ For IT-enabled projects: |
| | | ■ compliance with Department of Internal Affairs (DIA) e-government frameworks such as e-GIF (see the supporting guidance section for a full list) |
| | | ■ consideration of information assurance requirements in relation to business objectives |
| | | ■ compliance with IT security requirements Government Communications Security Bureau's (GCSB) NZ Information Security Manual |
| | | ■ compliance with relevant legislation: |
| | | ■ Official Information Act |
| | | ■ Privacy Act |
| | | ■ Public Records Act. |
| 1.4 | Have the internal and external factors affecting the project been identified and assessed? | ■ Assessment of the objectives, timescales and scale of the project |
| | | ■ Assessment of the stability of the current business environment and strategic direction |
| | | ■ Assessment of dependencies (e.g. other programmes and projects) that could affect current priorities |
| | | ■ Assessments of impact on existing physical and technical environment (e.g. brownfield site, current infrastructure or legacy systems) |
| | | ■ Assessment of the skills and knowledge required by the project for successful implementation, the availability of skills in the project team, and access to external expertise; appropriate allocation of key project roles between internal staff and consultants or contractors. |

# 2: Business case and stakeholders

| AREAS TO PROBE | EVIDENCE EXPECTED |
|---|---|
| **2.1** Is there a clear and agreed understanding of business goals and how the project will deliver these? | ■ Business objectives for the project clearly stated, meet the business needs of the organisation and are Specific, Measurable, Agreed, Realistic and Timely (SMART)<br><br>■ A strategy for achieving business benefits defined and agreed with the stakeholders<br><br>■ Broad scope, including timescales, documented and agreed with stakeholders (including end-users or their representatives) and technical authorities<br><br>■ Scope and indicative requirements specifications are realistic, clear and unambiguous<br><br>■ Delivery approach and mechanisms defined and agreed with stakeholders<br><br>■ For IT-enabled projects: IT developments defined as component(s) of a wider programme of business change for the agency or new services to the public<br><br>■ Evidence of options reviewed and justification for their selection. |
| **2.2** Have the critical success factors been identified?<br><br>These are the essential areas of activity that must be performed well if the mission, objectives or goals of the project are to be achieved. | ■ Elements vital for the success of the project are identified and described<br><br>■ Broad acceptance criteria identified for each main objective. |
| **2.3** Can the critical success factors be quantified or measured? | ■ Explanation of how the factors will be measured; identification of baseline measures where appropriate<br><br>■ Initial definition of effective systems for measuring and tracking the realisation of benefits<br><br>■ For construction projects, Design Quality Indicators used. |

| 2.4 | Have all the likely stakeholders been identified and their needs clearly understood? | ■ Internal and external stakeholders identified and documented |
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| | | ■ Stakeholders' roles and responsibilities, and their potential influence on the project, defined and agreed |
| | | ■ End-users for the project identified and documented |
| | | ■ Evidence that the decision-making process is inclusive of all the relevant stakeholders and is both efficient and effective |
| | | ■ Results of consultations documented as part of project stakeholder engagement/communications strategy |
| | | ■ If the project traverses organisational boundaries, there are clear governance arrangements to ensure sustainable alignment with the business objectives of all organisations involved. |
| 2.5 | Are the external stakeholder issues being addressed? These may include: <br>■ communications <br>■ public relations <br>■ social inclusion (e.g. equality and diversity issues) <br>■ environmental issues <br>■ personnel <br>■ statutory processes. | ■ Plans for each stakeholder produced showing responsibilities and, if appropriate, role in the project (part of the Strategic Case) <br><br>■ Communication Strategy for stakeholder groups defined. |
| 2.6 | Do stakeholders support the preferred way forward? This includes the potential or recommended delivery approach and mechanisms. | ■ Consultation, involvement, support and endorsement <br><br>■ Facilitation workshop outcomes documented. |

| 2.7 | Has the feasibility study examined a wide enough range of options that will meet the business requirement? | ■ 'Do nothing' should be assessed as an option, including costs. If 'do nothing' is totally unrealistic then a 'do minimum' option must be included<br><br>■ Options explored for collaboration with other public sector organisations,, programmes or projects<br><br>■ Where applicable, options have been assessed in accordance with Regulatory Impact Assessments<br><br>■ The advantages and disadvantages for each option to determine its potential for meeting the critical success factors<br><br>■ Market sounding indicates that suitable solutions can be provided and market capacity is available. |
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| 2.8 | Has a long-list of options been developed and analysed to identify a 'preferred way forward' without restricting choice to a 'preferred option'? | ■ Options appraised in accordance with principles of the Treasury Better Business Case (BBC), SSC, Office of the Auditor-General (OAG) and Ministry of Business and Innovation and Employment (MBIE) best practice and internal guidance, including the 'do nothing' option<br><br>■ Options ranked. Examination of all options which are acceptable in principle. There should be a shortlist of options to take through to DBC<br><br>■ Clear analysis of indicative whole-of-life costs for each option. |
| 2.9 | How was the robustness of the options tested? | ■ High level options assessment, focussing on the advantages and disadvantages of each option, the risks and benefits to government, major sensitivities<br><br>■ This assessment reflected in the risks list<br><br>■ Initial consideration of funding options (Not part of BBC but could/should be covered in Action 7) |

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| **2.10** Is the project likely to be attractive to the market? (part of the Commercial Case) | (High level/outline only)<br><br>■ Market sounding taken, including an examination of recent similar procurements by others (if applicable), and indication of suitable suppliers available to deliver requirements<br><br>■ There is adequate indication of sufficient capacity, capability and competitive interest in the market to meet the requirement<br><br>■ Early supply-side involvement to help determine and validate what outputs and outcomes are sought for the project, including proof of concept exercises where appropriate<br><br>■ Senior Management are sufficiently engaged with the industry to be able to assess supply-side risks. |
| **2.11** Have contract management issues been considered? (part of the Commercial Case) | (High level/outline only)<br><br>■ Requirements for 'intelligent customer' capability considered<br><br>■ Indicative arrangements for managing single/multiple suppliers<br><br>■ Where multiple suppliers are likely to be appointed, high-level plans for managing the interfaces<br><br>■ Appropriate relationship determined and hence optimum scale of contract(s) appropriately considered. |

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| **2.12** Is the IBC complete? (should be 80-90% complete at the time of the review – structurally complete, some sections may be unfinished but direction should be clear)<br><br>The IBC should be mainly focussed on the Strategic case for change and Economic analysis. The Commercial and Financial analyses and Management strategies may only be done at a high level at this stage of the project. | ■ Documentary evidence that the preferred way forward has been selected from an appropriately wide range, has been rigorously assessed and satisfies the project objectives (including contribution to the business strategy), is likely to offer value for money, is affordable and achievable<br><br>■ Stakeholder views (including the general public, if appropriate) are adequately represented<br><br>■ Objectives are clearly defined and expectations are realistic<br><br>■ Evidence that appropriate sources of expert advice have been consulted<br><br>■ Evidence that it is possible to align the delivery strategy with the overall organisational goal<br><br>■ Evidence that indicative scope, costs, benefits and risks been adequately assessed<br><br>■ Evidence that technical and acquisition options have been assessed and compared in a balanced manner<br><br>■ It is important that the recommendation for the 'preferred way forward' is not confused with the recommendation for the 'preferred option', which emerges from the more detailed options analysis undertaken as part of the DBC. |

# 3: Risk management

| AREAS TO PROBE | EVIDENCE EXPECTED |
|---|---|
| **3.1** Are there processes to identify, assess, allocate, manage and monitor current, anticipated and emerging risks and issues? | ■ List of major risks and key issues, categorised as strategic, political/reputational, legislative, implementation and operational service risks (including business, technical, financial and commercial/ contractual risks within these categories, as appropriate). In addition: <br><br>■ For IT-enabled projects, key information security risks; for e-government, risks relating to poor take-up <br><br>■ For construction projects, key risks relating to health and safety <br><br>■ For policy projects, Regulatory Impact Assessment considered <br><br>■ Risk Management Strategy developed in accordance with best practice <br><br>■ An individual is assigned the responsibility for managing risk across the project, mitigation options and contingency plans <br><br>■ Defined roles, responsibilities and processes for managing issues and risk across the project, with clearly defined processes for bringing issues and risks to the attention of Senior Management. |
| **3.2** Have the risks for each of the options been evaluated? | ■ Anticipated risks for the project classified by probability, impact, ownership, effect on the project and counter-measure, contingency and/or business continuity. <br><br>■ Risks which would jeopardise proceeding to the next phase fully assessed |
| **3.3** Have the risks for the preferred way forward been fully assessed? Part of the Management Case, but should be included in the Economic Case options analysis | ■ Involvement of senior stakeholders in assessing strategic risks <br><br>■ Assessment of risk, costs and benefits to demonstrate appropriate balance of risk and reward in the preferred way forward, demonstrating planned risk-taking and support for innovation where appropriate <br><br>■ Plans for managing and allocating through the contract(s) the risks associated with the preferred way forward. |

| 3.4 | Have the 'worst case' implications associated with these risks been assessed? | ■ Financial estimates for worst case risks and risk allocations identified. |
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| 3.5 | Has the project assessed whether it is breaking new ground in any areas? (part of the Commercial Case) | ■ Indications of this project's impact on the business, stakeholders and end-users based on leading edge projects<br><br>■ Evidence of similar projects or activities from which lessons may be drawn<br><br>■ Opinions on innovative solutions from professional advisors<br><br>■ Consultation with the market to help refine approach, identify high level risks and ways in which risks might be mitigated<br><br>■ Defined strategy for management of change in the affected organisations; Indications account has been taken of the current organisational culture, and leadership and organisational capability. |
| 3.6 | Should the project be broken down into formally managed work streams? (recommended for IT-enabled projects and for complex projects) | ■ Documentation of the possible approaches and criteria to be used for delivery decision<br><br>■ Business Case details any phased delivery or expected improvements over time. |

# 4: Readiness for next phase: Delivery Strategy

| AREAS TO PROBE | EVIDENCE EXPECTED |
|---|---|
| **4.1** Is there an overall project structure for the Delivery Strategy phase? (part of the Management Case) | ■ A definition of the project approach to be adopted<br><br>■ Assessment of its suitability. |
| **4.2** Is there a realistic plan to reach Gateway Review 2: Delivery Strategy - Detailed Business Case? | ■ Objectives, planning assumptions, constraints, activities, quality plans, deliverables and milestones defined and agreed for the next phase. Outline plans for the remaining phases<br><br>■ Assessment of the validity of current assumptions<br><br>■ Evidence that the project addresses both short-term and long-term business requirements<br><br>■ For projects with a design phase, such as construction projects, evidence that the project timescale allows enough time for the development of the required design quality<br><br>■ For IT-enabled projects, evidence of consideration of a proof of concept stage. |
| **4.3** Have requirements for external specialist advice been determined? | ■ Requirements for specialist expertise considered and resourced<br><br>■ External advice being used appropriately. |
| **4.4** Are internal Project Team skills adequate? | ■ Resource Plan for internal staff. Identification of skills required for next phase of the project. Skills appraisal and plans for addressing shortfalls<br><br>■ Training assessment and plans, training sources<br><br>■ Appropriate allocation of key project roles between internal staff and consultants or contractors<br><br>■ Project Team has requisite skills or access to specialist expertise. |
| **4.5** Is the time plan for the next stage realistic? Does it take into account any statutory lead times? | ■ Time plan identifies statutory lead times and realistic assessment of time needed for pre-procurement activities, if appropriate<br><br>■ Senior Management commitment to the time plan<br><br>■ Time plan for delivery (including procurement if appropriate) justified and not longer than necessary. |

| 4.6 | Is there a clearly defined project organisation with agreed roles and responsibilities? | ■ Project organisation and methodology<br><br>■ Governance/reporting arrangements<br><br>■ Named individuals in key positions, with appropriate skills, experience and status (especially appropriate for SRO):<br><br>   ■ SRO<br><br>   ■ Project Manager<br><br>   ■ Project Sponsor and/or Project Director<br><br>   ■ Stakeholder representation<br><br>   ■ Project Board or Project Steering Group<br><br>   ■ for construction projects, there should also be a design champion responsibility; a Project Sponsor and independent client adviser(s) to support the SRO (Note: a Project Manager may not necessarily be required)<br><br>   ■ for IT-enabled projects; Chief Information Officer or equivalent role, an IT/Information Security Manager/ Technical Project Manager to support the SRO<br><br>   ■ for collaborative projects, a single SRO assigned and senior representatives from each collaborating organisation<br><br>■ If the project traverses organisational boundaries, clear governance arrangements to ensure sustainable alignment of the business objectives of all organisations involved, with clear lines of accountability and ownership. |
| 4.7 | Are there the necessary funds to reach a Gateway Review 2: Delivery Strategy - Detailed Business Case? | ■ Budget provision made<br><br>■ Financial controls for expenditure in place on project<br><br>■ Resourcing Plans are in place and commitment in principle to provide appropriate staffing<br><br>■ Strategies defined for both proceeding and recovery if allocation of funding for the next phase is dependent on formal approval of the IBC. |

| 4.8 | How have re-competition issues been addressed with incumbent suppliers, if relevant? | ■ Arrangements in place to provide continuity of service up to transition to new supplier<br><br>■ Agreements with current suppliers on how they will support due diligence during procurement phase<br><br>■ Clear separation of roles where incumbent supplier is bidding for replacement contract<br><br>■ Consideration of workforce issues, where applicable. |
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# Typical project documentation

The areas of investigation, together with examples of evidence, should be available before the Gate 1 Gateway Review starts. The information is likely to be found in the documents suggested below, but may be located in other programme or project documents or elsewhere in the organisation's documentation system:

- Project Brief with the project's mandate, broad scope and the need for change

- Project Initiation Document (PID) or equivalent (e.g. Project Charter)

- Quality Management Strategy

- The project approach, including how to deliver the intended outcome

- A strategy outlining the approach to business change (including transition strategy, staff training and support, new facilities, etc. as appropriate)

- A strategy outlining the approach to procurement, including consideration of non-traditional options such as Public/Private Partnership

- An initial assessment of current and proposed physical and technical environment (e.g. IT infrastructure, workspace facilities)

- Cost report on the project to date, against budget

- Draft high-level definition of the business requirements and total scope of change

- A definition or mapping of how to judge the project's success

- A Benefits Management Strategy and high-level benefits management plan

- For policy projects: Regulatory Impact Assessment

- The 80-90% complete IBC (Stage 1) meeting BBC requirements: confirming the strategic context and making a robust case for change. The Business Case should present a preferred way forward with short-listed options

- A Communications Strategy to keep stakeholders informed of the project's progress

- Risk Register and Issues Register

- A Risk Management Strategy or plan (may be part of the PID or Project Management Plan)

- A high-level activity, time and resource plan for the whole project

- A detailed plan for the next stage

- Strategies or plans to move the project through the next stage on to Gateway Review 2: Detailed Business Case

- Budgets and confirmation of funding to cover all work to Gateway Review 2: Detailed Business Case

- Independent Quality Assurance (IQA) reports

- Procedures and documentation to gain the authority and approval to proceed

- Plans showing how performance is to be reported and monitored

- Project organisation – key roles and governance/reporting arrangements

- For construction projects, design quality indicators

- For IT-enabled projects, business impacts identified.

# Supporting guidance

- **Department of Prime Minister and Cabinet**: defining document for the Gateway Review process:
  - Cabinet Circular CO (10) 2:
    www.dpmc.govt.nz/cabinet/circulars/co10/2.html

- **New Zealand State Services Commission**:
  - Gateway process:
    www.ssc.govt.nz/gateway
  - Gateway publications:
    www.ssc.govt.nz/gateway-publications-and-workbooks
    - The Gateway process: A Manager's checklist
      Provides a set of key questions that SROs should consider to determine the progress of their programme or project and the potential for success
    - Gateway Review Workbooks
      A workbook for each Gateway Review provides detailed questions to support each review.
  - Guidelines for managing and monitoring major projects:
    www.ssc.govt.nz/major-projects-assurance

- **New Zealand Treasury**:
  - Better Business Cases guidance:
    www.infrastructure.govt.nz/publications/betterbusinesscases
  - Cost Benefit Analysis Primer:
    www.treasury.govt.nz/publications/guidance/planning/costbenefitanalysis
  - Treasury Capital Asset Management Framework:
    https://psi.govt.nz/cam/default.aspx
  - Guidance for Public-Private Partnerships:
    www.infrastructure.govt.nz/publications/pppguidance

- **New Zealand Ministry of  Business, Innovation and Employment (MBIE)**:
  - Procurement website:
    www.business.govt.nz/procurement
  - Procurement lifecycle with emphasis on the planning:
    www.business.govt.nz/procurement/for-agencies/guides-and-tools
  - Guide to Mastering Procurement – 8 stages of the procurement lifecycle:
    www.business.govt.nz/procurement/for-agencies/strategic-procurement

- **Department of Internal Affairs / Office of the Government Chief Information Officer**:
  - Major projects and programmes should consult with the DIA to understand the ICT common capabilities which are available for use, and which services they have been directed to adopt
  - Information about ICT common capabilities which are generally available, and the ICT common capability roadmap, can be found on www.ict.govt.nz
  - For more information, contact gcio@dia.govt.nz, or call 04 475 5775.

- **New Zealand Government Communications Security Bureau (GCSB)**:
  - New Zealand Government Information Security Manual; available from the 'Newsroom' tab on the GCSB website www.gcsb.govt.nz

- **New Zealand Office of the Controller and Auditor-General**: search for the following documents in www.oag.govt.nz/reports
  - Achieving public sector outcomes with private sector partners (2006): www.oag.govt.nz/2006/public-private/achieving-public-sector-outcomes-with-private-sector-partners
  - Managing conflicts of interest: Guidance for public entities (2007): www.oag.govt.nz/reports/docs/conflicts-public-sector.pdf/view
  - Procurement guidelines for public entities (2008): www.oag.govt.nz/2008/procurement-guide.

- **UK Cabinet Office**: The UK Office of Government Commerce (OGC) is now part of the new Efficiency and Reform Group within the Cabinet Office
  - Search for the following at www.best-management-practice.com
  - Managing Successful Projects with PRINCE2
  - Managing Successful Programmes (MSP)
  - Management of Risk (M_o_R)
  - Achieving excellence in construction
  - Successful delivery toolkit
  - Information Technology Infrastructure Library (ITIL).

- **Risk Management principles and guidelines**. Australian/New Zealand Standard 2009, AS/NZS 31000:2009
  - www.standards.co.nz
  - www.safetyrisk.com.au/2010/05/03/new-risk-management-standard-asnzs-iso-31000

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**Review 1:** Business Justification & Options – Indicative Business Case