

2017-18 DTF information request

Major projects and capital program performance reporting requirements

This document outlines the timelines and information requirements for the 2017-18 financial year for major projects and capital program performance reporting

The dates contained in this document are subject to change.

Key dates

Departments to submit the requested project information, internal reports and commentary for **High Value High Risk** (HVHR) and selected projects by:

Wednesday 11 October 2017 – information as at 30 September 2017;

Wednesday 11 January 2018 – information as at 31 December 2017;

Wednesday 11 April 2018 – information as at 31 March 2018; and

Tuesday 10 July 2018 – information as at 30 June 2018.

Departments to submit to their DTF contact their asset report containing quarterly expenditure data and commentary on **all** capital projects and information on the National Infrastructure Construction Schedule (NICS) by:

Friday 20 October 2017 – information as at 30 September 2017;

Monday 22 January 2018 – information as at 31 December 2017;

Monday 23 April 2018 – information as at 30 March 2018; and

Friday 20 July 2018 – information as at 30 June 2018.

Background

Departments are required to submit all relevant information on asset and major project delivery, including any existing departmental reports and to support information requirements contained in this request, to the Department of Treasury and Finance (DTF) for Cabinet Committee consideration of departments' performance in delivering major projects and their asset investment program. DTF uses this information in conjunction with other information, to provide an assessment the relevant Cabinet Committee through the Major Project Performance Report (MPPR) and the Output Performance Report on:

- the status of major projects and selected ICT projects;
- departments' performance in delivering Government's capital program; and
- trends in the delivery of Victoria's asset investment program.

Context

Major project and asset reporting requirements are consistent with the previous financial year; and departments will submit information to DTF via the State Resource Information Management System (SRIMS).

DTF will lodge all information provided by departments in SRIMS, including any departmental reports on major project and asset delivery as part of the quarterly MPPR for Cabinet Committee consideration.

DTF is required to submit the MPPR to government for Cabinet Committee consideration as soon as practicable after the end of each quarter. Departments are also required to submit additional project information to ensure information on the Commonwealth's National Infrastructure Construction Schedule (NICS) website and key procurement information is up to date.

To support these ongoing processes, DTF requests that departments continue to submit the following information:

- Performance information on identified major projects – this should include traffic light assessment information of major projects (red, amber, green), departmental commentary and forecast financials, total risk and contingency drawdown to date, plus any additional information relevant to the MPPR **within 7 business days of the end of the quarter**.
- All asset project data **within 15 working days** of the end of each quarter. This information should be updated via SRIMS.
- Information on material risks associated with Commonwealth funded capital projects, and strategies to manage these risks **within 15 working days** of the end of the quarter. This information is only required twice a year, for the December and June periods. This will allow DTF to fulfil its whole of government financial management role under Victorian Government Governance and Approvals Processes for Intergovernmental Agreements.
- Verified and current information on projects published on the Commonwealth's National Infrastructure Construction Schedule (NICS) website to ensure data on Victorian Projects is up to date **within 15 working days** of the end of the quarter. Further information on this requirement is provided under 'key information requirements' below.

Key information requirements

The following processes and attachments outline the information requirements to support major projects and asset performance reporting:

- Department asset information, including definitions of mandatory SRIMS fields (Attachment A); and
- Departmental asset reporting commentary (Attachment B).

Departmental asset information

Quarterly departmental asset information is essential for providing advice to Government on Victoria's capital program.

Commentary on significant project performance issues and risks, and strategies or remedial action to manage or address these risks should be included in the 'Commentary' tab in SRIMS.

Projects reaching **financial completion** during the 2017-18 financial year should continue to be reported in SRIMS until the end of June 2018 to facilitate reporting of the final project TEI and enable analysis of Victoria's asset investment program at the end of the financial year.

In 2016-17 the reporting dates were extended due to the introduction of new milestone reporting requirements. To improve timeliness of advice to government, the reporting dates have been changed back to previous years. Project information, together with any internal consolidated performance information or reports, needs to be provided to DTF for HVHR and other nominated projects within **7 business days** of the end of each quarter. The balance of information must be provided within **15 business days** of the end of the quarter.

To inform its advice, DTF may also request additional information for some projects. Additional information and reports can be attached in the SRIMS Asset Monitoring Module.

Departmental asset reporting commentary

- **Individual project information:**

Departmental commentary is required each quarter on the performance of individual projects. This should explain any variances that are greater than ten percent between budget and actual Year-to-Date (YTD) expenditure and can be entered under the 'Individual Project Expenditure table's commentary field' in the 'Capital Project' tab in SRIMS.

Milestone information is also required for each project. Milestone fields are described in Attachment A.

- **Portfolio wide commentary:**

Attachment B outlines departmental commentary required on each department's entire asset investment program. This commentary only needs to be submitted twice a year for the December and June quarters, within **15 business days** of the end of these quarters, **not quarterly** as required for other asset performance information. Departments can enter commentary directly into the SRIMS 'Commentary' tab or alternatively, upload and attach the word document (as per Attachment B) onto a SRIMS record.

This commentary needs to explain variances between the department's 2017-18 YTD Budget and YTD Actuals for its entire asset investment program. It must also identify risks associated with the delivery of the Department's 2017-18 asset investment program *and* Commonwealth funded projects/programs as well as strategies or remedial action, to minimise and address these risks.

The commentary should also include additional information on projects/programs assessed by departments as having a red or amber timing and/or budget rating and explain the nature and cause of the issues, risks and strategies to manage these risks and issues.

Major project procurement data for the Commonwealth (NICS)

Project procurement information is required to meet both State and Commonwealth reporting requirements. The Commonwealth Government manages the National Infrastructure Construction Schedule (NICS) website. The NICS consolidates information on Australia's major public infrastructure projects in order to encourage involvement from a broader range of international and domestic constructors and investors. To ensure data published by the Commonwealth on Victorian Projects is up to date, departments will need to review, verify and update information in the NICS template **15 business days** of the end of the December and June quarters.

NICS reporting requires the following project procurement information to be collected:

- procurement type;
- major industry type (ABS standard);
- major sector type (ABS standard);
- estimated release date for information to the market;
- expected type of engagement with the market;
- project status;
- estimated completion date;
- region;
- local government area; and
- locational address.

Summary – action required

Please provide the following information in SRIMS by the due date as outlined on page 1 and, upon completion, notify your DTF contact that the information is available in the system:

- Timing and budget risk profile and actual expenditure figures on all State and Commonwealth funded asset investment projects (including Partnerships Victoria projects) and all High Value High Risk (HVHR) projects (regardless of whether they are output or asset funded projects). Instructions on how to enter this information in SRIMS is outlined in SRIMS User Training Guide - Asset Monitoring, Section 4.3 – Asset Monitoring Draft.
- Review and update Milestone Dates - Approved Revised, Estimated Revised and Actual – for each project as required.
- Departmental commentary highlighting key factors impacting the delivery of the department's 2017-18 asset investment program, including risks to Commonwealth funded programs and projects, and strategies or remedial action to minimise and address these risks. Attachment B provides guidance for completing your departmental commentary in SRIMS. Instructions on how to enter this information in SRIMS is outlined in the SRIMS User Training Guide - Asset Monitoring, Section 4.3 – Asset Monitoring Draft: page 46 – bullet point 9 and page 50 – bullet point 23.
- Existing internal departmental reports which contain traffic light assessments of major projects may also be submitted to inform the MPPR.
- Updated data and information for projects published on the NICS via the NICS template.

Submitting and lodging information

All asset project information is required to be submitted to DTF via SRIMS. DTF will continue to provide departments with further advice, training and guidance materials on how to update this information in SRIMS.

Departments should notify their departmental contact that the relevant information in SRIMS has been completed and approved by their authorised delegate.

Information provided to DTF should be approved by the department Secretary or delegate.

Departments are not required to lodge the hard-copy information and SRIMS data with Cabinet Secretariat.

DTF will lodge all information provided by departments, including any departmental reports on major project and asset delivery as well as any reports generated by SRIMS regarding

departmental asset information with Cabinet Secretariat, as part of the quarterly Major Project Performance Report for cabinet committee consideration.

Further information

If you have any questions regarding this information request, please contact your DTF contact.

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If you have issues accessing the asset monitoring module in SRIMS, please contact the SRIMS helpdesk on 9651 2000 or srims.support@dtf.vic.gov.au

SRIMS User Training Guide - Asset Monitoring is available at:

<https://srims.vic.gov.au/srims/help/guides/utg/UTG%20-%20Asset%20Monitoring.pdf>

Further details on developing, procuring and implementing major projects can be found at the following websites:

Lifecycle guidance material is available at:

<http://www.dtf.vic.gov.au/Investment-Planning-and-Evaluation/Understanding-investment-planning-and-review/What-are-the-investment-lifecycle-and-high-value-high-risk-guidelines>

Guidance material on the Gateway Review Process is available at

<http://www.gatewayreview.dtf.vic.gov.au/>

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Attachment A

Departmental Asset Information Requirements: SRIMS Asset Monitoring Module records, including definitions of SRIMS mandatory fields

Term	Definition
Project overview information requirements	
Entity	Name of Entity responsible for project delivery if applicable, should be the same as published in Budget Paper No. 4 (BP4). Only needs to be completed once.
Project title	Project name referred to in the submission.
BP4 Project Category	Project classification for publication in BP4 select from drop down list: <ul style="list-style-type: none"> • <i>New project</i>-project approved to commence for first time in 2017-18 Budget, • <i>Existing project</i>-project previously approved to commence in previous Budget; and • <i>Completed project</i>-project expected to be completed by 30 June 2018.
Project Type	Type of project funding: <i>Capital</i> or <i>Output</i> . Only complete once unless a change in funding source is approved by government.
Original TEI	Project TEI at the time the project was first approved, reflecting the total project cost (e.g. including funding from State, Commonwealth or other sources). The field is intended to capture the project TEI at the start of the project (i.e. set a benchmark) and is only entered once. If the original TEI includes multiple funding sources, advise your DTF contact of the State funding component. Please note: if your department is reporting on funding provided for a program of works, detailed information should be reported to allow for overall progress to be tracked. Individual projects which contribute to a program of works can be grouped in SRIMS. Please refer to the SRIMS user guide or your DTF contact for further information.
Current approved TEI	The original TEI plus any increase/decrease approved by PSBC/ERSC/Treasurer, reflecting the current approved total project investment (i.e. including State & Commonwealth funding or other funding sources including Section 30 transfers). This should be reviewed and updated (if appropriate) quarterly.
Department Carryover	The amount the department is estimating to carryover in the current financial year.

Term	Definition
Asset Classification	Asset service type: the service sector the asset will support such as, Residential Aged Care, Government School. Select from a drop-down list of 31 categories. Should be entered once only unless a significant change is approved.
High Value High Risk	Whether the project is classified as High Value High Risk. This field can only be edited by DTF.
Other Funding Sources	Indicate whether the original TEI includes funding from other sources e.g. Commonwealth, private contributions. If the original TEI includes multiple funding sources, also advise your DTF contact of the State funding component.
Area of service	The region of Victoria where the project or program is being delivered for BP4 publication, entered once and reviewed annually. Departments select from a drop down list of eight regions in Victoria – five rural and three metropolitan regions. For programs or projects comprising a number of smaller projects, select the predominant region. 'Metropolitan, 'Regional' or 'Statewide' may be selected for projects or programs which are being delivered across a number of regions. Entered once only and reviewed annually.
Region	Identifies the specific region the project is being delivered for detailed government reporting purposes, entered once and reviewed annually. Departments select from a drop down list of list of 3 region types: <ul style="list-style-type: none"> • Metropolitan • Regional • Statewide
Budget Year	The current budget year.
Quarter	The current quarter.
Project Status	Identifies the stage of the project in its lifecycle. For example: Feasibility study, In delivery, practical completion. Departments select from a drop down list of 13 different life cycle stages. DTF expects that post practical completion, departments will track benefits delivered against those outlined in their Benefit Management Plan. Reviewed, updated and submitted to DTF quarterly.
Project Start Date	The commencement date of delivery of the project. Entered once.
Date of Completion	Financial completion date of the project. This is only entered once the project has been completed and indicates financial close when monitoring and reporting can cease. (Previously, this field was described as <i>Practical completion</i> . It has been changed to reflect that monitoring continues until financial close.)
Election Commitment	Identifies if the project is an election commitment, and whether it is part of the official <i>Labor's Financial Statement 2014</i> list. Information is entered once only.

Term	Definition
Project Risk status (U/L/M/H)	The risk of the project at its commencement. Departments select from a drop down list of four categories: uncertain, low, medium or high. Entered once only and reviewed annually.
Timing delivery status (R/A/G)	Delivery status for the project base on timing against the Current Approved Completion Date: <ul style="list-style-type: none"> ◆ red: more than 10 per cent behind schedule; ◆ amber: project risks are emerging that could affect delivery on schedule (i.e. the project is likely to miss significant milestones, due to project scope or contract variations); and ◆ green: on schedule. <p>To determine the timing status the Current Approved Completion Date should be compared with the Forecast Completion Date, reflecting the overall timing status of the project.</p> <p>Reviewed, updated and submitted to DTF quarterly.</p>
Budget delivery status (R/A/G)	Delivery status for the project against the Current Approved TEI: <ul style="list-style-type: none"> ◆ Red: more than 10 per cent over current approved TEI. ◆ Amber: project risks are emerging that could affect delivery on budget (e.g. project scope or contract variations). ◆ Green: on budget. <p>Comparison of the Current Approved TEI and the Forecast TEI, reflecting overall status of the project.</p> <p>Reviewed, updated and submitted to DTF quarterly.</p>
Responsible Agency	Allows the analyst to identify which agency the asset investment is published under in Budget Paper No. 4. This is useful when one agency is delivering an asset investment on behalf of another. Entered once and reviewed annually as part of annual budget cycle.
Amount Received from Other Sources	Total dollar amount (in thousands) from other funding sources i.e. non-state government funding sources.
GBE Project Status	Status of the project from the GBE Board's perspective. This field is for GBE only. Non GBE projects would be set to 'Not applicable'.
Capital/Output Project	
Capital/Project tab	Based on the 'Project Type' selected in the Overview tab, the Capital or Output tab contains the budget project output expenditure in the current and forward years, as well as the budget capital expenditure including TEI and year to date financials. This information can be split into Group Expenditure and Individual Project Expenditure. Reviewed, updated and submitted to DTF quarterly.

Term	Definition
Group Expenditure	Reflects the total budget and actual expenditure for a project or a program of works. The TEI should equal the 'Current Approved TEI' value recorded in the 'Overview' tab. Reviewed, updated and submitted to DTF quarterly.
Individual Project Expenditure	If the project has a number of components or is a program, the Group expenditure financials can be split into the individual asset projects. There must be at least one individual project included that is equal to the Group Expenditure. Reviewed, updated with actual expenditure and submitted to DTF quarterly.
Title	Title of the project or component.
Cwlth Funded	If the project is wholly or partially funded by the Commonwealth Government, this field needs to be ticked.
Current Budget Year – Q1-Q4	Estimated Budget expenditure for each quarter. Reviewed, updated and submitted to DTF quarterly.
Forward estimates	Estimated Budget expenditure over the forward estimates. Complete once unless additional funding or re-cash flows are approved by government.
Project to date	Total project expenditure to date. Reviewed, updated and submitted to DTF quarterly.
Public Completion Date	Publically announced completion date for the project (i.e. a completion date referred to in a media release or budget paper). This date will transfer automatically to the Original Date - Building completed field in the milestone grid.
Milestone reporting requirements – within the Capital Project tab	
Project milestone reporting required tick box	This tick box can only be unchecked for projects exempt from the milestone reporting requirements. Exemptions only apply to grant programs where the underlying projects are not separately reported.
Milestone definitions	Milestone occurs when...
1. Business case completed	A full business case has been approved by the Minister or most senior authorising officer. Note: This milestone is only relevant for projects that have been funded for business case development only. In these circumstances the Is funding for this project for business case only? Tick box needs to be checked.

Term	Definition
2. Tender released	A request for tender has been released to market. Note: For larger projects undertaking a multi-stage procurement process this milestone relates to the final tender release stage. The Commentary box may be used to provide information on the achievement of interim milestones such as finalisation of an EOI process.
3. Contract signed	A contract has been signed by both parties.
4. Building commenced	Detailed design has been approved and the contractor has commenced construction.
5. Building completed	Building has concluded, inspections are complete and the site has been handed back to the department. Note: For larger projects involving a long construction period the Commentary box may be used to provide information on the achievement of interim milestones such as stages of construction.
6. Operations commenced	The asset is being used to deliver the services intended.
Original Date	This column represents the milestone dates at the time of project approval. The Original Date – Building completed field will automatically be populated from the Public Completion Date field in the capital project tab. Initially, these dates will need to be uploaded for all existing projects through a 'bulk upload' function which will be available in late September. In the future, these dates will be populated when a record is created for a new project.
Approved Revised Date	This column should only be completed where Ministerial or Committee approval has been given for revised dates. Departments may wish to attach a copy of the approval when the information is updated, alternatively approvals may be attached to a request for carryover or project re-phasing. Ministerial approval is required for extensions of 3 months or greater to either of the last 2 milestones: Build completed or Operations commenced .
Estimated Revised Date	This column should be completed when there are new estimates for milestone dates regardless of whether a revised date has been approved.
Actual Date	Dates in this column are to be completed when milestones are achieved. Once a date is submitted in this column the row will be locked.
Commentary	This <u>optional</u> field can be used to provide additional information regarding the status of the project. Departments will no longer have to provide ratings for Timing or Budget. Ratings will be automatically generated.

Term	Definition
Location	
Location	To populate the Location tab, enter the location information as an Address, Plan/Lot, or Latitude and Longitude coordinates and select the respective verification buttons. This will populate the remaining fields of the tab. Complete once only, unless relevant significant changes in project scope are approved.
Multiple points	Multiple locations can be added for projects listed in the 'Individual Project Expenditure' grid under the Capital/Output tab by selecting this field.
Commentary	
Entity Commentary	Provides an opportunity for explanation of the preceding data and may include: <ul style="list-style-type: none"> ♦ red/amber timing or budget delivery status – summary on main risks and mitigation strategies. More detail can be provided in the departmental commentary; ♦ potential TEI change/Section 30/Cashflow phasing/carryover request (no details required); and ♦ potential Commonwealth milestone dates for payments and progress against milestones. Reviewed, updated and submitted to DTF quarterly.
National Infrastructure Construction Schedule (NICS) requirements	
Project Disclosure	
Major Industry	The Australian Bureau of Statistics (ABS) Major Industry classification based on the final use of the asset or the service sector the asset contributes to, once it is completed. Select from a drop down list of 19 options such as 'Administrative and support services' and 'Health care and social assistance'. Information is entered once, unless significant scope changes are approved.
Major Sector	The ABS Major Sector Classification. This is a sub-category of the "Major Industry" classification. Select from a drop down list of 86 options. For example, the major sector sub-categories of the major industry name "Construction" are: Building Construction; Heavy and Civil Engineering Construction, or Construction Services. These classifications refer to what the final use of the asset will be, once finished. Information is entered once, unless significant scope changes are approved.
Expected Procurement Type	Type of procurement method expected to deliver the program or project. Select from a drop down list of nine different procurement types in consultation with your DTF contact. For programs or projects which comprise a number of smaller projects or different methods, select the dominant procurement method where applicable. The category 'Various' should be selected only if the procurement method varies greatly across the program of works. 'Not applicable' should be selected if no other category is relevant.

Term	Definition
<p>Estimated release date for information to market</p>	<p>The expected date (if information such as an expression of interest has already been released), where information will be released to the market.</p> <p>Enter either a specific date that information will be released to the market; or select a relevant drop down option.</p> <p>Other drop down options should be selected as follows:</p> <ul style="list-style-type: none"> • Not applicable – if information will not be released to the private sector or market, nor will they be engaged in delivering the project. • To be determined – if timing to release information to the market has not yet been determined. • No further market engagement - if no further information will be released to the market. Likely to be selected once a contract is awarded and project is in delivery. • Multiple - if the project includes a package of works with various release dates. <p>Information should be reviewed, updated and submitted to DTF quarterly.</p>
<p>Expected type of engagement with the market</p>	<p>The type of upcoming engagement with the market. Departments select from a drop down list of 9 categories such as Expression of Interest.</p>
<p>NICS information</p>	<p>Information required to submit and publish on the Commonwealth's National Infrastructure Construction Schedule. Must be completed for projects greater than \$50 million.</p> <p>Reviewed, updated and submitted to DTF quarterly via SRIMS.</p>

Attachment B

Departmental commentary requirements & template

This information can be copied into the commentary tab in SRIMS twice a year.

1. Overview of departmental performance

- Brief summary of year-to-date performance. Copy the department summary table into the commentary to present this information.

Department summary					
<i>Total number of current projects</i>	<i>Approved TEI current projects</i>	<i>YTD Budget</i>	<i>YTD Actual</i>	<i>YTD Actual as a % of YTD Budget</i>	<i>\$ Variance between YTD Budget and YTD Actual</i>

- Key reasons for variations against total budget/schedule.
- Any links to delivery of major government policies.

2. Key issues

- Key factors and risks impacting on the delivery of the departments asset investment program and strategies or remedial action to address these risks.
- Commentary on the performance of programs and projects which have been rated as red or amber, including significant variations between the current approved budget and timing delivery, including:
 - specific risks, drivers, and mitigation plans or remedial action to reduce impacts;
 - potential for specific project risks to impact on the departments' overall capital program; and
 - risks to Commonwealth funded projects and strategies to manage these risks.