Gate 6 Report

Benefits realisation

Prepared for [insert SRO]

[Investment name]

[Insert date]

The Secretary

Department of Treasury and Finance

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# Introduction

## The Gateway Review Process

The Gateway Review Process (GRP) was endorsed by the Victorian Government in March 2003 and aims to assist agencies across the Victorian budget sector achieve better capital investment outcomes and to enhance their procurement processes.

The objective of a Gateway Review is for a team of experienced people, independent of the project team, to review a major asset investment project at a key decision point.

The report of a Gateway Review contains opinion, advice and recommendations about the project it has examined. It will contain information about how a specific agency undertakes and conducts major projects in a competitive environment. It may also refer to the business information of third parties. As such the report is confidential and independent of a project’s approval process.

Because a review is conducted in the course of a project, it will commonly contain sensitive commercial information relevant to that project as it proceeds. Equally, the report will form part of the continuing development and refinement of the Gateway Process and of asset investment across the Victorian public sector. Both the particular project to which the report relates and the Gateway Process as a whole relate to the functions, and commercial interests of the relevant agency and the Government of Victoria.

A Gateway report will be prepared in consultation with an agency’s project team and stakeholders, and will accordingly form part of the ongoing deliberative process of Government in order to assist in the continuing formulation of Government investment and procurement policy.

The report of a Gateway Review Team is not intended for release, other than to the relevant agency, except where the report is sought by Cabinet or a Cabinet Committee. Wider circulation could jeopardise the agency’s competitive position in a tender process and hence participation of it and other agencies in the Gateway Review Process, thereby imperilling the quality and frankness of the information provided and therefore the core objective of the process.

**Secretary**

Department of Treasury and Finance

* + 1. Report information
			1. Review details

|  |  |
| --- | --- |
| Version number: | [Insert Draft 0.1,0.2,0.3 or Final 1.0] |
| SRO Name:  | [Insert SRO name] |
| Date of issue to SRO:  | [Insert date] |
| Department:  | [Insert name] |
| Agency or PNFC:  | [Insert name] |
| Gateway Review dates:  | [Insert dates dd/mm/yyyy to dd/mm/yyyy] |

* + - 1. Review team

|  |
| --- |
| Gateway Review team members |
| **[Insert name of team leader]** |
| [Insert name of team member] |
| [Insert name of team member] |
| [Insert name of team member] |
| [Insert name of team member] |

* + - 1. The purpose of Gateway Review 6

|  |
| --- |
| The primary purposes of a Gateway Review 6 are to assess whether the anticipated benefits are being delivered and that the ongoing contractual arrangements meet the business need.Appendix A gives the full purposes statement for a Gateway Review 6. |

* + - 1. Conduct of the Gateway Review

|  |
| --- |
| This Gateway Review 6 was carried out from [Insert: Date 1] to [Insert: Date 2] at [Insert: location of review].The stakeholders interviewed are listed in Appendix C.Delete where not applicable: Appendix D shows a list of documents received and reviewed by the review team.[Insert a note of thanks to the SRO and the client team. e.g. The Review Team would like to thank the Client X Project Team for their support and openness, which contributed to the Review Team’s understanding of the Project and the outcome of this review] |

* + 1. Assurance assessment summary as at [insert date]
			1. Review team findings

The Review Team finds that [Insert a brief statement outlining the Review Team’s view of the status of the project].

* + - 1. Observations of good practice

[Insert instances of significant good practice found, especially those that may be transferable to other programs and projects]

|  |
| --- |
| Good practice examples |
|  |
|  |
|  |

* + - 1. Overall delivery confidence assessment

|  |  |  |
| --- | --- | --- |
| R | A | G |

* + - 1. Recommendations from the previous Gateway review (Gate 5)

|  |  |
| --- | --- |
|  | Yes/No/NA |
| The previous Gateway review report (Gate 5) was provided to the review team. |  |
| The Review Team considered the previous report during the conduct of the review. |  |

The Review Team finds that [Insert a brief statement commenting on the adequacy of the actions taken in regard to all of the individual recommendations (Red and Amber) from the previous review].

* + 1. Findings and recommendations

**A summary of all the individual recommendations can be found in Appendix B.**

* + - 1. Review of operating phase and future risks

[Insert findings – brief paragraphs setting out key findings. Where appropriate, include recommendations **(in bold text)** relating to individual findings including the RA assessment]

|  |  |  |
| --- | --- | --- |
| Recommendation # | Recommendation | RA status |
|  |  |  |
|  |  |  |

* + - 1. Business case and benefits management

[Insert findings – brief paragraphs setting out key findings. Where appropriate, include recommendations (**in bold text**) relating to individual findings including the RA assessment]

|  |  |  |
| --- | --- | --- |
| Recommendation # | Recommendation | RA status |
|  |  |  |
|  |  |  |

* + - 1. Plans for ongoing improvements in value for money

[Insert findings – brief paragraphs setting out key findings. Where appropriate, include recommendations (**in bold text**) relating to individual findings including the RA assessment]

|  |  |  |
| --- | --- | --- |
| Recommendation # | Recommendation | RA status |
|  |  |  |
|  |  |  |

* + - 1. Plans for ongoing improvements in performance and innovation

[Insert findings – brief paragraphs setting out key findings. Where appropriate, include recommendations (**in bold text**) relating to individual findings including the RA assessment]

|  |  |  |
| --- | --- | --- |
| Recommendation # | Recommendation | RA status |
|  |  |  |
|  |  |  |

* + - 1. Review of organisation learning and maturity targets

[Insert findings – brief paragraphs setting out key findings. Where appropriate, include recommendations (**in bold text**) relating to individual findings including the RA assessment]

|  |  |  |
| --- | --- | --- |
| Recommendation # | Recommendation | RA status |
|  |  |  |
|  |  |  |

* + - 1. Readiness for the future: Plans for future service provision

[Insert findings – brief paragraphs setting out key findings. Where appropriate, include recommendations (**in bold text**) relating to individual findings including the RA assessment]

|  |  |  |
| --- | --- | --- |
| Recommendation # | Recommendation | RA status |
|  |  |  |
|  |  |  |

# Appendix A – Purpose of Gateway Review 6: Benefits evaluation

* assess whether the business case for the project at *gate 4: tender decision* was realistic;
* confirm that there is still a business need for the investment;
* assess whether the benefits anticipated at this stage are actually being delivered;
* assess the effectiveness of the ongoing contract/facility and service delivery management processes;
* confirm that the client side continues to have the necessary resources to manage the facility and any contract successfully;
* if relevant, confirm continuity of key personnel in facility and/or contract management roles;
* assess the ongoing requirements to meet business need. ensure that if circumstances have changed, the service delivery and any contracts are adapting to the new situation. changing circumstances could affect: partner management; relationship management; service management; change management; contract management; benefits management; and performance management.;
* where changes have been agreed, check they do not compromise the original delivery strategy;
* check there are ongoing continuous improvement mechanisms to improve value for money;
* confirm there are plans to manage the facility and any operational contracts to its conclusion. where applicable, confirm the validity of exit strategy and arrangements for re-competition; and
* assess ‘lessons learned’ and methodology for sharing information within government.

# Appendix B – Summary of individual recommendations

|  |  |  |
| --- | --- | --- |
| Recommendation # | Recommendation | RA status |
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# Appendix C – Interviewees

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| Name | Role |
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# Appendix D – Documents reviewed

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# Appendix E

## E.1 Red Amber Green definition

There are two levels of Red Amber Green (RAG) status for a project that must be given, using the colour-coded indicators Red, Amber or Green [[1]](#footnote-1) described below. These include:

* + - Red (Critical) and Amber (Non-critical) for individual recommendations;
		- Red, Amber or Green Delivery Confidence assessment for the overall project

## E.2 Individual recommendations (criticality)

The introduction of the RAP has resulted in a change to how individual recommendations are assessed. In the past individual RAG assessments have taken criticality and urgency into consideration. For example, if a project had very little time to address a critical recommendation, the recommendation was classed as red. If there was time to address the critical recommendation, then the recommendation was classed as Amber. This was even though the issue and its criticality was still identical to the red rating.

Individual recommendations are now classified as either **Critical (Red)** or **Non-critical (Amber)** as per the diagram below. **Green** is no longer used for individual recommendations.

|  |  |
| --- | --- |
| Non-critical recommendation | Critical recommendation |
| The project would benefit from the uptake of the recommendation | Action required |

Criticality – Individual recommendations\*

## E.3 Overall assessment (delivery confidence)

An Overall Assessment (Delivery Confidence) is also required for each review based on the definitions below. When determining the Overall Assessment, the Review Team should refer to their own judgement/expertise to determine the most suitable Delivery Confidence rating.

|  |  |  |
| --- | --- | --- |
| Overall report | Overall report | Overall report |
| Successful delivery of the project to time, cost and quality appears highly likely | Successful delivery appear feasible but significant issues already exist, requiring timely management attention. | Successful delivery of the project to cost, time and/or quality does not appear achievable. |
| There are no major outstanding issues that at this stage appear to significantly threaten delivery. | These issues appear resolvable at this stage and if addressed promptly, should not impact on cost, time or quality. | The project may need re‑baselining and/or the overall viability reassessed. |

Delivery confidence

1. Green is no longer used for individual recommendations. [↑](#footnote-ref-1)