



DIGITAL CAPABILITY FUND ASSURANCE FRAMEWORK

Overview

The WA Government established the Digital Capability Fund (the Fund) to drive more strategic and targeted investment in digital transformation initiatives across the public sector and provide the capacity to upgrade legacy systems and mitigate cyber security risks.

The Fund Assurance Framework is approved by Government to set a strong centralised approach to delivery assurance and outline more specific controls for the implementation of ICT projects. Aims of the Fund Assurance Framework are to:

- proactively manage delivery risks, with interventions initiated as required;
- drive delivery of projects in line with Government decisions and agreed project baselines;
- drive benefits realisation; and
- establish clear decision-making authority on agency requests to change project baselines.

Scope

The Fund Assurance Framework:

- applies to all ICT projects assessed through the Fund governance, regardless of total project value and funding source;
- applies across and within any stage of the ICT project lifecycle (i.e. from pre-project, through delivery, and to project close) and is applied in proportion to the scale and risk profile of a project; and
- does not override accountability for ICT project delivery. Agency Director-Generals or Chief Executive Officers remain responsible for the overall project delivery according to agreed or government-endorsed project baselines (timeframe, scope and budget) and ensuring agencies meet their reporting obligations.

It is recommended that the Fund Assurance Framework is read in conjunction with other WA Government policies and guidance materials, including the ICT Project Delivery Framework and Gateway Review Policy.

Governance

This Fund Assurance Framework sits within the existing governance arrangements for the Digital Capability Fund, including:

- the Office of Digital Government (DGOV) and the Department of Treasury and Finance's (DTF) roles in administering the Fund and advising Government on investment and progression of ICT projects;


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- the Fund Assurance Committee's role in providing whole-of-government oversight and assurance over projects assessed through the Fund's governance;
 - the Minister for Science and Innovation's role in overseeing and reporting on the operation of the Fund to Government; and
 - Government decision-making through the Expenditure Review Committee (ERC) and Cabinet.

Table 1: Assurance Controls

(Applied in proportion to the scale and risk profile of a project)

Control	Description
Staged Funding	<ul style="list-style-type: none"> Funding will be provided for agreed project stages or milestones, as appropriate. For projects over \$10 million, partial funding will be provided for adequate completion of a Project Definition Plan (PDP) and Total Cost of Ownership and Benefits Model and/or other agreed project planning milestone(s). Funding decisions remain at the discretion of Government.
Project Reviews	<ul style="list-style-type: none"> Project reviews, including DGov assurance reviews or deep dive assessments, can be initiated at any point during the project lifecycle due to delivery risks or issues. Reviews may be conducted across multiple agency projects, as required and warranted. Reviews may be initiated at the request of Government, the Fund Assurance Committee, or through the DGov Delivery Unit. The Gateway Review process may also apply to certain ICT projects. Mandatory Gateway Reviews can be required at any point during the lifecycle of the project (for example, Tender Decision, Readiness for Service, Benefits Evaluation). Findings of Gateway Reviews and other reviews must be adequately addressed by the agency through an Action Plan template, which is to be completed and returned to the relevant agency within stated timeframes. Agencies are responsible for funding Gateway Reviews and ensuring appropriate internal assurance activities for their project. Funding for other reviews will be determined on a case-by-case basis, as required.
Delivery Assistance and Oversight	<ul style="list-style-type: none"> The DGov Delivery Unit may be deployed to projects to assist with delivery activities by agreement with agencies, or at the request of Government. Government may refer projects to the Expenditure Review Committee (ERC). Other project oversight arrangements may be established at the request of Government in addition to agency arrangements.
Recall or Reallocation of Funding	<ul style="list-style-type: none"> Government may recall/reallocate funds at any stage – for example, if a project is unable to commence, or has significant delivery issues or risks which cannot be appropriately mitigated. Consideration will be given to financial and other implications (for example, contractual arrangements).

Table 2: Change Requests

(For Agency proposed changes to project baseline timeframe, scope or budget)

	Description	Process
Minor Changes	<ul style="list-style-type: none"> Agency requests a change to a project milestone(s) in the baseline that do not impact the original project end date, project scope or budget. Agency requests a change to project end date of less than 6 months from the original project end date that does not have a material impact on project scope or impact on project budget. Changes to project end date that reflect existing Government decisions. Agency requests a change to the Government-endorsed scope of the project which does not change the key project deliverables, benefits, budget or end date. Agency absorption of additional project costs. 	<ul style="list-style-type: none"> Change requests are submitted to DGov. DGov has delegated authority to approve/not approve minor change requests. Agencies must engage with DTF regarding agency absorption of additional costs. Agencies seeking to change any baseline milestone date are responsible for submitting the change request before the date to be changed has passed.
Material Changes	<ul style="list-style-type: none"> Agency requests to change a project end date of 6 months or longer from the original project end date. Agency requests a change to the Government-endorsed scope of the project which changes the key project deliverables, benefits, and/or budget and/or end date. Agency requests to re-cashflow money across the forward estimates. Agency requests additional Digital Capability Fund funding; additional appropriation; use other source revenue; or use of internal reprioritisation of funding. 	<ul style="list-style-type: none"> Material changes to projects are escalated for Government consideration. Change requests are submitted to DGov and appropriate submissions to Government. Agencies seeking to change any baseline milestone date are responsible for submitting the change request before the date to be changed has passed.