Government of **Western Australia**
Department of **Treasury and Finance**

# The Gateway Review

**Helping your projects succeed on time,
on budget and with the intended benefits realised**

# Introduction

The Gateway review methodology is a project assurance methodology designed to support the effective development, planning, management and delivery of major projects and programs. Gateway was developed and implemented in the United Kingdom and has since been adopted by Victoria, New South Wales, Queensland, the ACT, Western Australia and New Zealand.

A review gives an independent perspective, challenges the robustness of plans and processes, and identifies issues and risks. The Senior Responsible Owner (SRO) is presented a final report, providing recommendations to assist in a successful delivery.

Any Gateway review is subject to strict confidentiality measures. There are only two copies of the final report created, one for the SRO and one for Gateway (used for statistical purposes only), and all supporting documents and personal notes regarding the review are destroyed prior to the review team leaving the final meeting.

# Why Gateway?

The Gateway review process examines programs and projects at key decision points that naturally arise in their lifecycle. It provides an SRO with independent guidance that can improve or advance a project. The primary purpose of a review is to add value to the project team's existing expertise and by offering suggestions aimed at successful delivery of the project.

**The Gateway review process supports SROs by:**

- confirming the project has been appropriately resourced
- assessing time and cost targets for programs or projects
- helping key stakeholders understand the program or project status and the issues involved
- assessing risks and mitigation strategies
- ensuring any procurement is well managed in order to provide value for money on a whole of life basis
- assuring the program or project is ready to progress to the next stage.

**Besides helping SROs towards successful delivery of a program or project, there are wider-reaching benefits, affecting all of Government, including:**

- a consistent quality of project delivery across Government
- agency and Government confidence in the health of major projects, which in turn builds reputations outside of Government
- improving knowledge and skills among government staff through participation in Gateway reviews, in particular in the area of project management
- promoting a culture that shares lessons learnt to benefit other projects.

**Benefits of Gateway**

**Project Success**

Improved certainty around time, cost and scope

**Consistency**

Consistency between projects and across government in project delivery

**Confidence**

Agency and Government confidence in the health of major projects

**Skills Development**

Improved project management
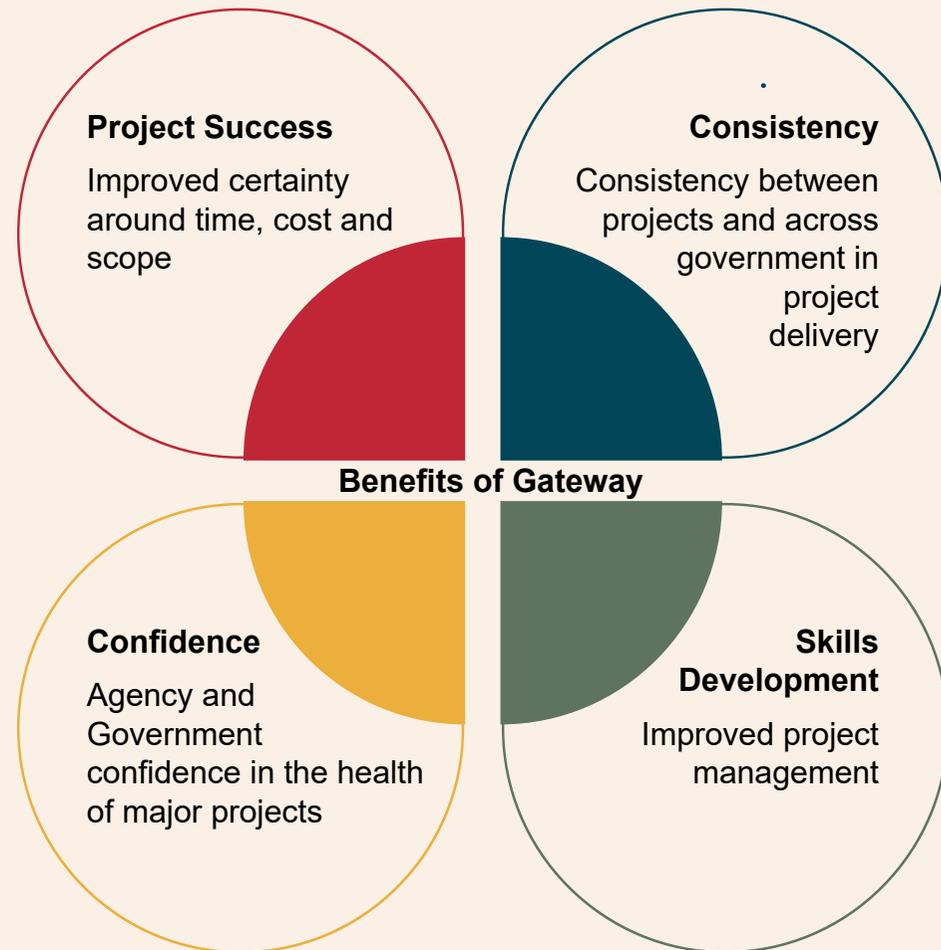
# Project assurance tool

The Gateway review process is not an audit. It is a tool to help projects succeed and is complementary to an agency's existing program or project management.

Programs and projects take up a significant and increasing proportion of total government expenditure. The Gateway review process is designed to assist public authorities improve project management and project delivery, in turn helping government reach its overall objectives. It is good practice to conduct some form of review at each major decision point in a program or project's lifecycle to determine how it is progressing.

**Gateway reviews are applicable to a wide range of programs and projects, including:**

- infrastructure (property/construction) developments
- IT-enabled business change
- service delivery projects
- procurement using or establishing framework arrangements and acquisition
- policy development and implementation
- organisational and other change initiatives.

**Agencies have their own structures and resources for carrying out internal reviews, health checks and audits of their programs and projects. Agencies should have in place an effective framework to provide a suitable level of assurance for their portfolio of programs and projects, including:**

- business planning
- investment appraisal and Business Case management (including benefits management)
- program and project management including risk management
- procurement/acquisition
- service and contract management.

The Gateway review process provides an independent snapshot of progress at a point in time. Therefore, Gateway should be seen as complementary to these internal processes and not a replacement.

Further best practice advice about governance frameworks is outlined in the Strategic Asset Management Framework (SAMF) guidelines issued by the Department of Treasury and Finance.

# Program or project?

A program is about managing change. It has a strategic vision and a map of how to get there. It is able to deal with uncertainty about achieving the desired outcomes. A program approach should be flexible and capable of accommodating changing circumstances, such as opportunities or risks materialising. A program coordinates delivery of a range of work that is needed to achieve program outcomes and benefits. It may include multiple projects.

Program reviews are carried out under the Strategic Assessment of a Program Gateway review. A program will generally undergo three or more strategic assessment reviews, including an early review, one or more reviews at key decision points during the course of the program, and a final review at the conclusion of the program. To clarify, these are the same review, i.e. the Strategic Assessment of a Program, carried out at different times throughout the lifecycle of the program.

A project has a definite start and finish date, 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. The project plan should include activities to plan, measure and assess the benefits achieved.

A project may undergo all six Gateway reviews during its lifecycle, or just particular Gateway reviews at specified points in time. The six reviews comprise the complete set of Gateway reviews. Project reviews may be repeated as necessary depending on the size, scope and complexity of the project.

# Who's who in the Gateway Review process

**There are five key roles in the Gateway review process:**

| | |
|---|---|
| **Senior Responsible Owner (SRO)** | Agency owner of the overall business or service change that is dependent on the project. |
| **Project team** | The wider team of people that have carriage of the project. |
| **Review team** | A small team (usually three or four) of independent practitioners (review team members, or RTMs) who undertake the review. One person is appointed review team leader (RTL). |
| **Interviewees** | Stakeholders (including members of the project team), with input into the project or may be impacted by the project. Insights gathered from stakeholder interviews inform the findings and recommendations in the final report. |
| **Gateway unit** | The coordinating body of the review. |

# The Senior Responsible Owner explained

The Senior Responsible Owner (SRO) is usually the individual who ensures that the project maintains its business focus and that the context, including risks, is actively managed. For major projects this individual is likely to be a member of the senior executive and have personal responsibility for successful delivery of the program or project. The SRO is often called the 'project sponsor'. Commonly this will be the person to whom the project director or project manager reports.

As the Gateway review is conducted for the SRO, it is best that they are involved early in the process of arranging access to documentation and stakeholders prior to the review. During the review, the SRO is updated on progress at the end of each day. Ownership of the final review report lies with the SRO.

# The review team explained

The review team consists of independent practitioners from outside the project who are selected for their particular experience and skills that will be useful to the project.

Review team members may be sourced from the public or private sectors based on their suitability for the project under review. They will have been trained in the Gateway review methodology, and registered with the Gateway Unit. The team members use their experience and expertise to examine the progress and likelihood of successful delivery of the project, and to provide a valuable external perspective on the project to the SRO. The review team obtains an understanding of the project and its current status from reviewing project documents and from information gathered during interviews with the SRO, the project team and key stakeholders.

# The Gateway Review process: Stages and responsibilities

In order to provide the SRO with meaningful, timely advice, a review should be conducted prior to a program or project's key decision point. For example, a Gateway review of a Business Case should occur several weeks before it is due to be endorsed. This enables Gateway review recommendations to be addressed before the Business Case is submitted for approval.

The Gateway unit needs two to three months notice before a review is expected to be carried out, so that dates for the planning meeting and review can be agreed upon, and selection of the review team members can begin. The Gateway unit puts together the review team. This is generally done in consultation with the SRO to ensure the reviewers have the right blend of skills and experience for the particular review. However, to ensure independence of the review, the final decision is made by the Gateway unit.

The cost of a Gateway review is borne by the agency. This could include travel and associated costs for review team members sourced from outside the state, if relevant.

# Gateway reviews follow a standard process outlined below.

**Stage 1: Initiating a review**

Timing: 2-3 months before review

- Initial meeting between the Gateway unit and SRO to discuss review requirements and dates.

**Stage 2: Preparation**

Timing: 2-6 weeks before review

- Appointment of review team.
- Initial project/program documentation sent from project team to review team.
- Interviewees booked in by project team.

**Stage 3: Planning meeting**

Timing: 2-3 weeks before review

- Project overview.
- Key issues and stakeholders.
- Finalise documents and decide on interviewees.

**Stage 4: Conducting the review**

Timing: 3-5 days

- Review project documentation.
- Interview key project stakeholders.
- Regular briefing with SRO.
- Draft report presented to SRO including RAG (red/amber/green) status.

**Stage 5: Post review**

Timing: 1 week after review

- Final report sent to SRO, with a copy to Gateway.
- Collection and distribution of feedback.
- If the project receives an overall delivery confidence rating of red or amber/red, or if there are red recommendations the DG is required to inform the relevant Minister.

# RAG ratings for Recommendations

The Gateway Report will contain a series of recommendations to assist with the successful delivery of the project or program.

**The ratings are defined below:**
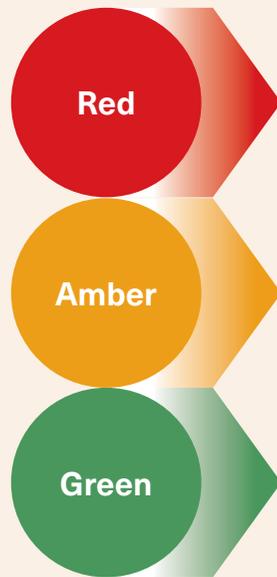
**Red**

**Critical and urgent**

To achieve success the project should take action on recommendations immediately.

**Amber**

**Critical and not urgent**

The project should go forward with actions on recommendations to be carried out before further key decisions are taken.

**Green**

**Recommended – not critical or urgent**

The project is on target to succeed but may benefit from the uptake of recommendations.

# Overall delivery confidence ratings

The overall rating of the project/program is based on the Gateway Review Team's confidence in the project/program's ability, on its current trajectory, to deliver outcomes and benefits, to agreed time, cost, scope and quality.
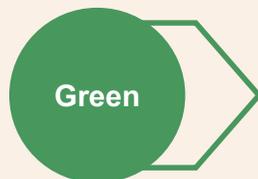
**Green**
Successful delivery to time, cost and quality of the project/program appears highly likely at this stage. No significant outstanding major risks or issues or unaddressed risks are apparent.

**Green/Amber**
Successful delivery of the project/program appears probable at this stage. Some aspects require attention to ensure they do not threaten delivery or materialise into major risks or issues.

**Amber**
Successful delivery of the project/program appears possible at this stage. Some unresolved risks and issues exist that require prompt attention to avoid compromising quality, project time and cost overruns.

**Amber/Red**
Successful delivery of the project appears doubtful at this stage. Multiple significant risks and issues are unresolved and require urgent attention. Project time, cost and/or quality are at risk.

**Red**
Successful delivery of the project/program appears unachievable at this stage. Multiple significant major risks or issues are evident and appear irrecoverable. Project time, cost and/or quality parameters appear likely to be exceeded if the project proceeds as is.

# Matching a review to a project life cycle

There are six key decision points or 'gates' at which a Gateway review can take place. Each type of review focuses on the key issues for a particular project at the time of review. Gateway reviews are based around gate-specific, established and proven areas for probing, as depicted in the diagram here:

| Gateway review | Project lifecycle | Purpose |
|---|---|---|
| | Establish business need | |
| Strategic Assessment | | To confirm business strategy and need |
| | Develop a business case | |
| Business Case | | To confirm business justification |
| | Develop procurement strategy | |
| Readiness for Market | | To confirm procurement method and sources of supply |
| | Competitive procurement | |
| Tender Decision | | To confirm investment decision |
| | Award and implement contract | |
| Readiness for Service | | To confirm the readiness of the organisation to implement the business changes |
| | Manage contract | |
| Benefits Evaluation | | To confirm 'in service' benefits |
| | Closure | |

# Tailoring a review to your needs

The following is an overview of the gates and their corresponding reviews. While each review process follows a standard methodology, the review team will be flexible in implementing the methodology, ensuring that each program or project is reviewed on its own merits. Advice provided will be tailored to the program or project's needs. The review team will consider whether additional or different topics need to be addressed and what evidence is to be sought. Approaches may vary according to the context of the program or project.

# Strategic review of a program

This review aims to answer the question:

*Does the program make the required contribution to the overall strategy of the organisation?*

It investigates the following areas:

| | |
|---|---|
| **Outcomes and objectives:** | Are the objectives and outcomes of the program making the necessary contribution to the overall strategic direction of the agency? |
| **Stakeholders:** | Is the program supported by the key stakeholders? |
| **Context:** | Have the program's objectives and outcomes been considered as part of the wider context of Government policy and procurement objectives? |
| | Have they been considered in the wider context of other programs within the agency or other relevant agencies? |
| **Project management:** | Are management controls in place to manage the program, sub-programs and individual projects? Is there a clear understanding of responsibilities between all parties? |
| **Risk:** | Are there adequate controls in place to manage risks to the main program, sub program and individual projects including external risks? Have these controls been made available to all relevant stakeholders? |
| **Resourcing:** | Are there adequate provisions for the financial and other resource needs of the life of the program? |

# Strategic review of a project

This review aims to answer the question:

*Is the business need understood with the key objectives and outcomes identified?*

It investigates the following areas:

| | |
|---|---|
| **Outcomes and objectives:** | Are the objectives and outcomes of the project making the necessary contribution to the overall strategic direction of the agency? |
| **Stakeholders:** | Is the project supported by the key stakeholders? |
| **Context:** | Have the project's objectives and outcomes been considered as part of the wider context of government policy, procurement objectives and other relevant programs or projects? |
| **Project management:** | Are there adequate controls in place to correctly lead, manage and monitor the project as a whole and the individual components of the project? |
| **Risk:** | Are there adequate controls in place to correctly identify and manage the main project risks, including external risks? Have these controls been made available to all relevant stakeholders? |
| **Resourcing:** | Have adequate provisions been made for the financial and other resource needs of the individual work packages and overall life of the project? |

# Business Case

This review aims to answer the question:

*Does the Business Case provide assurance that the proposed approach is achievable and likely to deliver the business requirements?*

It investigates the following areas:

| | |
|---|---|
| **Outcomes and objectives:** | Are the scope, scale and requirements realistic and clear? |
| **Stakeholders:** | Are key stakeholders on board? |
| **Context:** | Have the agency's strategic plans and policies, central policies, and State Government initiatives been considered? |
| **Project management:** | Are key roles and responsibilities defined in an organised project structure? Do timelines appear achievable? |
| **Risk:** | Have the major risks been identified? Is there an active risk management plan? |
| **Resourcing:** | Are there plans for the next stage? Are they included in full in the Business Case? |

# Readiness for Market

This review aims to answer the question:

*Is the procurement approach robust and appropriate to deliver the project's requirements?*

It investigates the following areas:

| | |
|---|---|
| **Outcomes and objectives:** | Are the objectives and outputs of the project still aligned with the program to which it contributes? |
| **Stakeholders:** | Are key stakeholders committed to the project's success? |
| **Context:** | Have relevant legislative and policy requirements been incorporated into the procurement process? |
| **Project management:** | Is there a realistic project plan through to delivery of the project and are there adequate financial and project controls in place? |
| **Risk:** | Is risk actively being managed? |
| **Resourcing:** | Will organisational resources and capabilities be available for future phases of the project? |

# Tender Decision

This review aims to answer the question:

*Does the preferred tenderer meet the requirements of the Business Case and organisational need?*

It investigates the following areas:

| | |
|---|---|
| **Outcomes and objectives:** | Will the recommended contract decision deliver the specified outputs on time, within budget and provide value for money? |
| **Stakeholders:** | Is there continuing support for the project? |
| **Context:** | Is the business ready for change, for implementation, transition and operation of new services or facilities? |
| **Project management:** | Are management controls in place to manage the project, including contract management aspects? Is there a clear understanding of responsibilities between all parties? |
| **Risk:** | Has the risk management plan been shared with suppliers/delivery partners? |
| **Resourcing:** | Does the project have resources with the appropriate skills and experience to achieve the intended outcomes of the investment? |

# Readiness for Service

This review aims to answer the question:

*Is the business ready to implement the services and business change?*

It investigates the following areas:

| | |
|---|---|
| **Outcomes and objectives:** | Is the original projected business benefit still going to be achieved by implementation of the service and the business change? |
| **Stakeholders:** | Is the implementation supported by the key stakeholders? |
| **Context:** | Is the Business Case still valid and unaffected by internal or external changes to the wider context of Government policy and procurement objectives? Is it still valid and unaffected by internal or external changes to the wider context of other projects and broader programs within the agency or other agencies? |
| **Project management:** | Are there adequate management and organisation controls in place to correctly manage the project through implementation and operation? Are the adequate controls in place to correctly manage the contract? |
| **Risk:** | Are there adequate controls in place to correctly manage the ongoing risks and issues so that there is no impact on implementation? Has an evaluation been made as to the progress of the implementation if there are any unresolved issues? Have these controls been made available to all relevant stakeholders |
| **Resourcing:** | Are there adequate resources available to allow for the implementation of the services and business change? |

# Benefits Evaluation

This review aims to answer the question:

*Have the expected benefits been delivered?*

It investigates the following areas:

| | |
|---|---|
| **Outcomes and objectives:** | Is the Business Case justification for the change still realistic and the business need for the investment valid? Are the benefits being delivered? |
| **Stakeholders:** | Are the benefits accepted by the key stakeholders and in line with expectations? |
| **Context:** | Have the benefits been assessed in the context of the ongoing business need of the contract? Have the benefits been considered in terms of the potential for the delivery of benefits to be adaptable to changing business needs? |
| **Project management:** | Are there adequate controls in place to manage the project to its defined conclusion? |
| **Risk:** | Are there adequate controls in place to accommodate changes to changing business needs? Have these controls been made available to all relevant stakeholders? |
| **Resourcing:** | Are the adequate resources available for the ongoing management of the contract? Has there been confirmation of the key personnel continuity in management roles? |

# How to get started

There are a number of ways in which programs and projects can be nominated for a Gateway review:

- by the Senior Responsible Owner (SRO), which is the preferred option
- where there is an evident benefit or imperative for independent review
- by the department CEO or Minister
- as part of the Economic and Expenditure Reform Committee process
- by the Department of the Premier and Cabinet, and the Department of Treasury and Finance.

The Gateway Unit may also identify programs or projects that are candidates for a Gateway review. When a review seems desirable the Gateway Unit will approach the agency to discuss the benefits of undertaking a review.

# Notes

# Notes

## Contact us

Department of Treasury and Finance

Street address: Djookanup, 16 Parkland Road, Osborne Park WA 6017

Postal address: Locked Bag 11, Cloisters Square, Perth WA 6850

Telephone: 61 8 6551 2777

Website: www.dtf.wa.gov.au

Email: gatewayunit@dtf.wa.gov.au