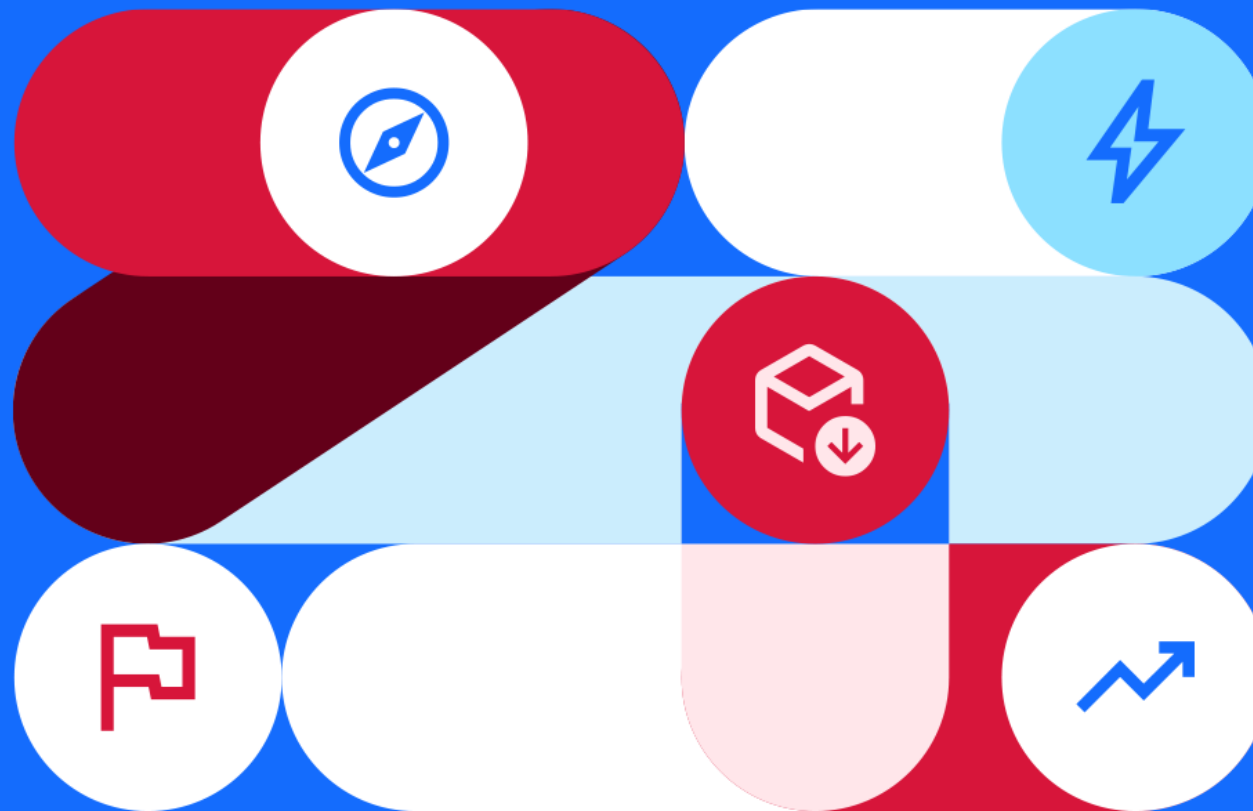Digital NSW | DSIA

Gate 0 Review Report: Presentation

Go / No-Go

November 2024

NSW GOVERNMENT

Note

We are providing users with 3 main documents listed below to supplement the presentation, and it should be used by all parties during the review to ensure consistent and high-quality results throughout the process.

1. Guideline

2. Term of Reference (TOR)

3. Report Template

Link: Resources for agencies and expert reviewers | Digital NSW

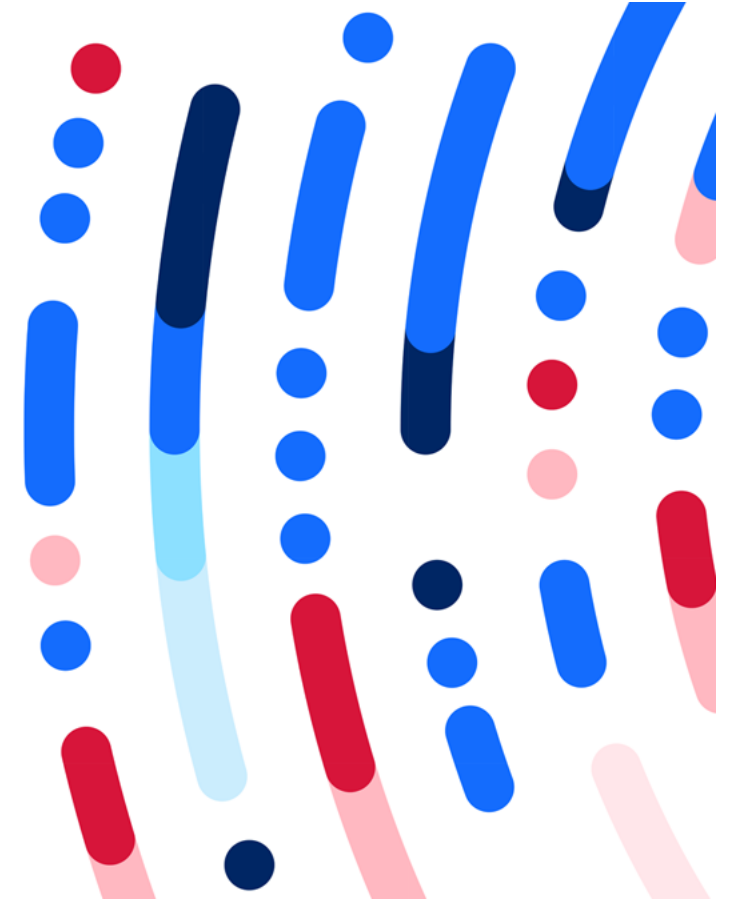# The Digital Assurance Framework

Objectives of the DAF

- To ensure NSW Government's ICT projects are delivered on time and on budget through the implementation of a risk-based independent assurance framework.

- To improve strategic alignment and assurance for ICT projects across the project lifecycle.
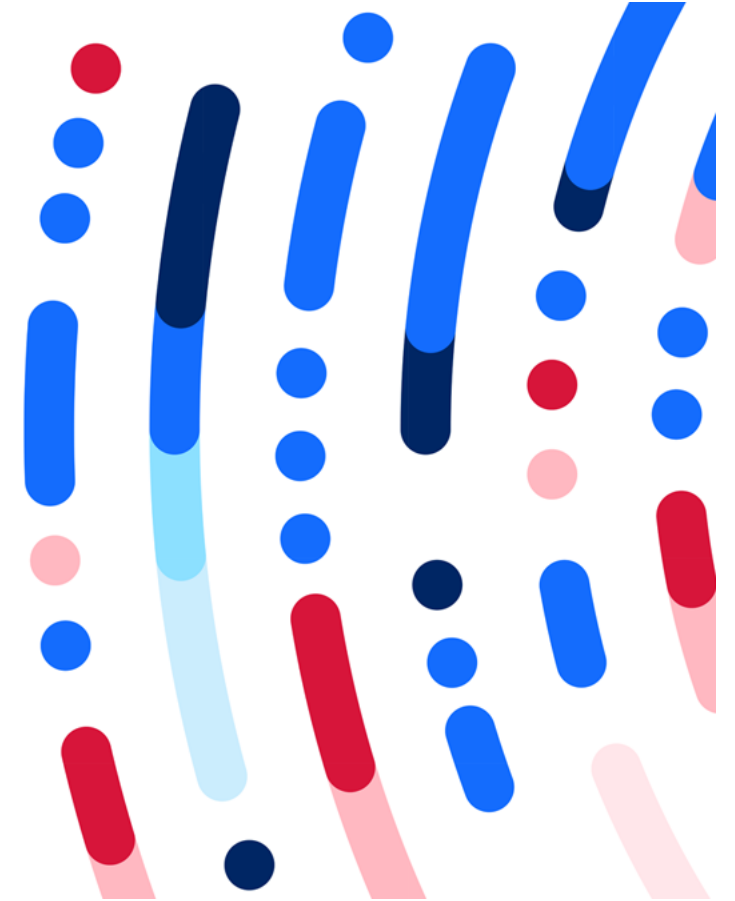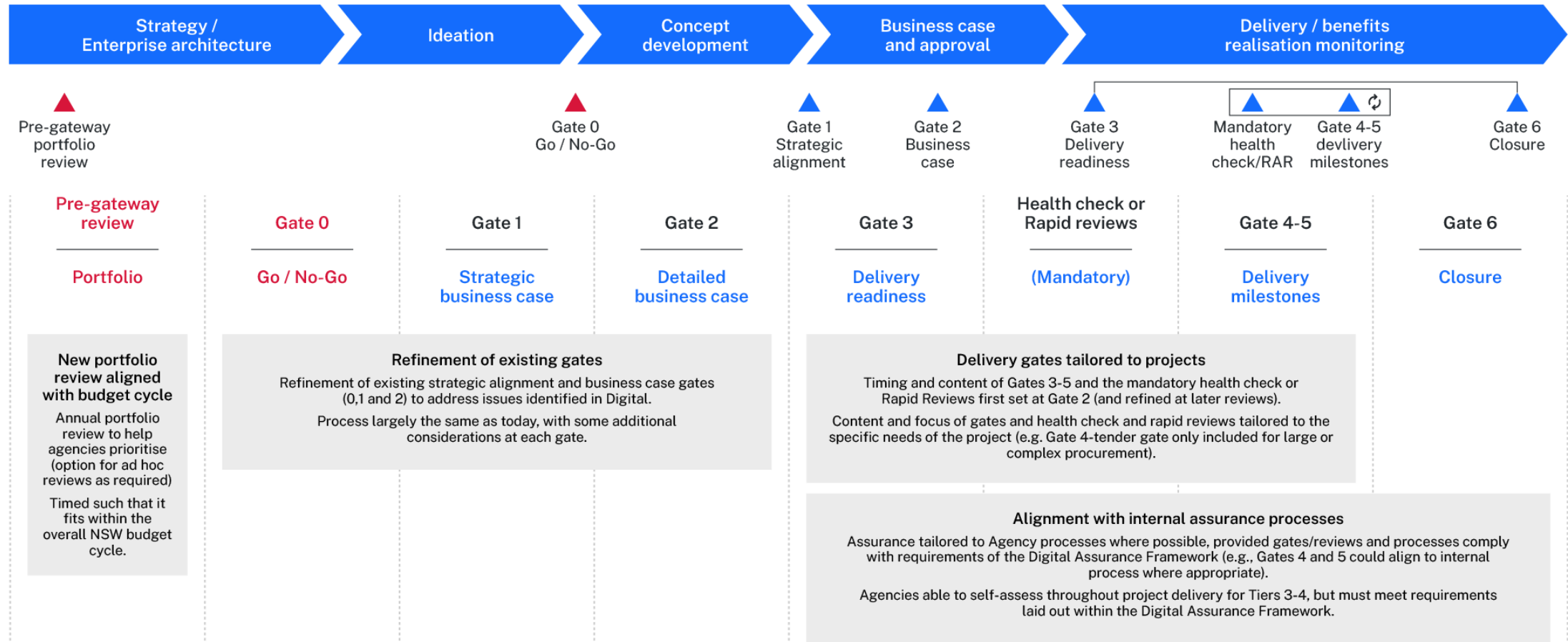
Reviews under the DAF and confidentiality

Gateway reviews:

- Are structured, expert peer reviews performed at critical points during the project lifecycle

- Are not an audit

- Provide a point in time snapshot of project performance, risks and issues

- Help inform NSW Cabinet on delivery progress

- Help Projects and Sponsors achieve their intended outcomes, on budget, on time

- Are independent and confidential - interview discussions are not /should not be repeated

- Encourage open and frank conversations - findings / discussions are not attributed to individuals, interviews with individuals (not groups)

Overall DAF – Introducing Gate 0 and Pre-Gateway Review

| Strategy / Enterprise architecture | Ideation | Concept development | Business case and approval | Delivery / benefits realisation monitoring |

Pre-gateway portfolio review (red triangle)
Gate 0 Go / No-Go (red triangle)
Gate 1 Strategic alignment (blue triangle)
Gate 2 Business case (blue triangle)
Gate 3 Delivery readiness (blue triangle)
Mandatory health check/RAR (blue triangle)
Gate 4-5 devlivery milestones (blue triangle)
Gate 6 Closure (blue triangle)

Pre-gateway review	Gate 0	Gate 1	Gate 2	Gate 3	Health check or Rapid reviews	Gate 4-5	Gate 6
Portfolio	Go / No-Go	Strategic business case	Detailed business case	Delivery readiness	(Mandatory)	Delivery milestones	Closure

New portfolio review aligned with budget cycle

Annual portfolio review to help agencies prioritise (option for ad hoc reviews as required)

Timed such that it fits within the overall NSW budget cycle.

Refinement of existing gates

Refinement of existing strategic alignment and business case gates (0,1 and 2) to address issues identified in Digital.

Process largely the same as today, with some additional considerations at each gate.

Delivery gates tailored to projects

Timing and content of Gates 3-5 and the mandatory health check or Rapid Reviews first set at Gate 2 (and refined at later reviews).

Content and focus of gates and health check and rapid reviews tailored to the specific needs of the project (e.g. Gate 4-tender gate only included for large or complex procurement).

Alignment with internal assurance processes

Assurance tailored to Agency processes where possible, provided gates/reviews and processes comply with requirements of the Digital Assurance Framework (e.g., Gates 4 and 5 could align to internal process where appropriate).

Agencies able to self-assess throughout project delivery for Tiers 3-4, but must meet requirements laid out within the Digital Assurance Framework.

Gateway Review purpose
GATE 0: Go / No-Go

Stronger and expanded assessment to ensure projects that proceed are in line with Government's priorities.

Application:
Agencies to register their project with Digital NSW earlier, to ensure all digital projects with a capital value over $10 million (and those nominated by DARAG) complete a Gate 0 Review before developing a strategic/detailed business case (SBC).

If a project has not completed a Gate 0 and seeks to complete a later Gateway Review, Digital NSW will require the agency to return to complete a Gate 0 Review

Assessment:
Broader set of focus questions to test which projects should proceed to an SBC. These align to; strategic risk, government priority, urgency of service need and other alternatives.

Expanded assessment process. Moving from a qualitative-only review to a combined quantitative and qualitative assessment to better justify a clear recommendation to Cabinet.

Consultation:
Agency right of replies on review outcome before Digital NSW submits them to Cabinet for a decision.

Why do we do Gate 0?

Primary purpose:
Gate 0 exists to filter out projects which were never viable, are not aligned to government priorities or are not really needed now before money is spent on development activities.

Secondary benefits:
Helps projects start with clear objectives and service need.

Encourages agencies to consider alternative options or MVP first as an option.

Encourages agencies to undertake proper planning from which projects are generated (including prioritisation and consideration of options like better using state digital assets).

Provides agencies with guidance on issues that should be dealt with in the SBC.

What it is not:
A prioritisation exercise between projects (although the committee will consider whether proper prioritisation has occurred).

Approval or endorsement of a project.

A substitute for Gate 1 or Gate 2.

Governance and Gate 0 cycle

- Committee to make recommendations for GCIDO/DTB to consider and submit to Cabinet **every quarter**.

- Aim is to provide certainty to agencies by resolving as quickly as possible.

- Agency's right of reply is to the Gate 0 Committee.

Gate 0 Committee
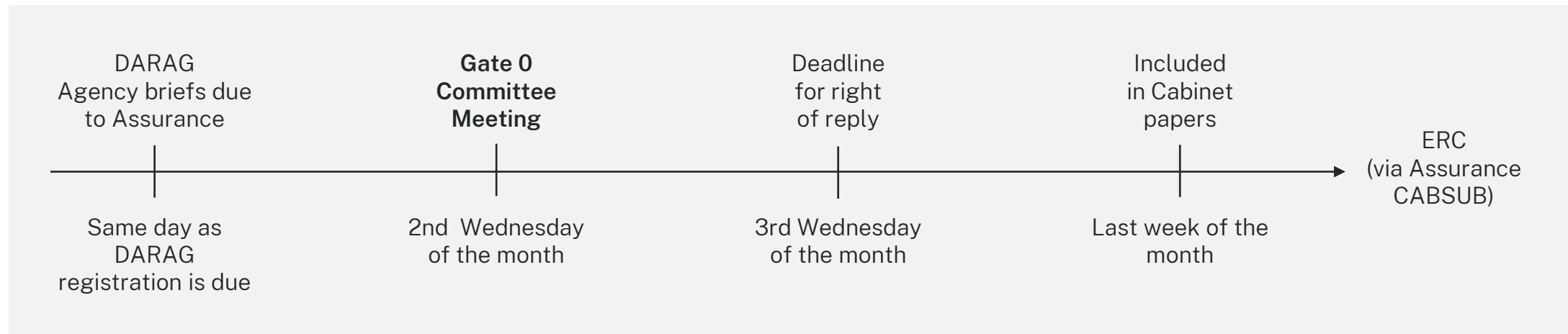
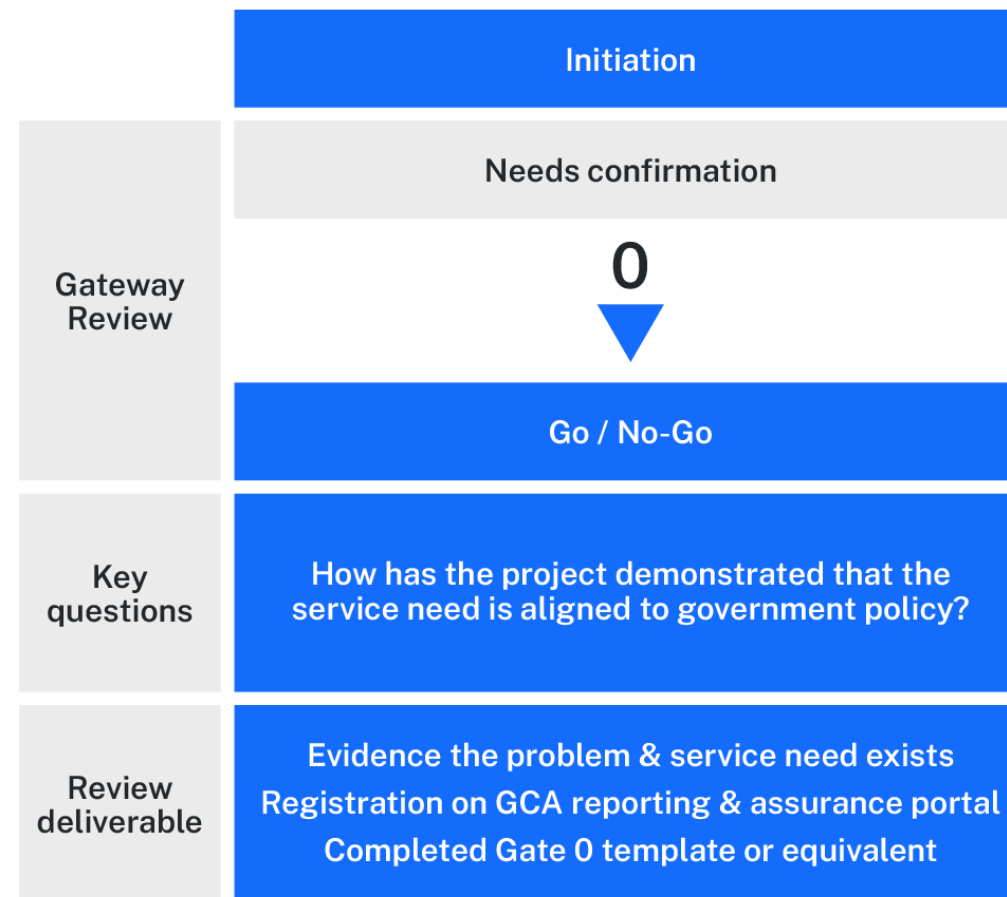| |
|---|
| 1 x Digital NSW (Assurance *Chair*) |
| 1 x Treasury |
| 1 x Cabinet Office |
| 1 x Digital NSW (Strategy/EA) |
| 2 x Independent Expert Reviewer |
| 1 x nomination from DARAG |

DARAG Agency briefs due to Assurance	Gate 0 Committee Meeting	Deadline for right of reply	Included in Cabinet papers	ERC (via Assurance CABSUB)
Same day as DARAG registration is due	2nd Wednesday of the month	3rd Wednesday of the month	Last week of the month	

Overview and process

Mandatory documents needed

- Registration Record of the project

- Completed Gate 0 Project Justification template or equivalent Delivery Agency document

- Relevant IT asset management framework or risk register and service planning document extract

Optional documents

- Executive/Board level presentation on the project

- Feasibility studies

- Extracts from agency (Secretary/Chief Executive) approved plans and strategies

- Agency specific project initiation documentation

	Initiation
Gateway Review	Needs confirmation
	0 ▼
	Go / No-Go
Key questions	How has the project demonstrated that the service need is aligned to government policy?
Review deliverable	Evidence the problem & service need exists Registration on GCA reporting & assurance portal Completed Gate 0 template or equivalent

Areas of investigation

Set out in terms of reference and guideline

Government Priority
How has NSW Government identified the project / proposal as a strategic priority?

To what extent does the proposal support the government's stated priorities?

Urgency
How urgent is the commencement of planning for the project? How critical are the consequences of delaying the commencement of planning?

Strategic Risk and Compliance Mitigation
How does the project / proposal mitigate agency's strategic risks (i.e. implementation of critical security features such as MFA, Essential 8 etc.).

Alternatives
How has the project considered alternative solutions or funding sources?

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Gate 0: Terms of Reference

Project Name

September 2024
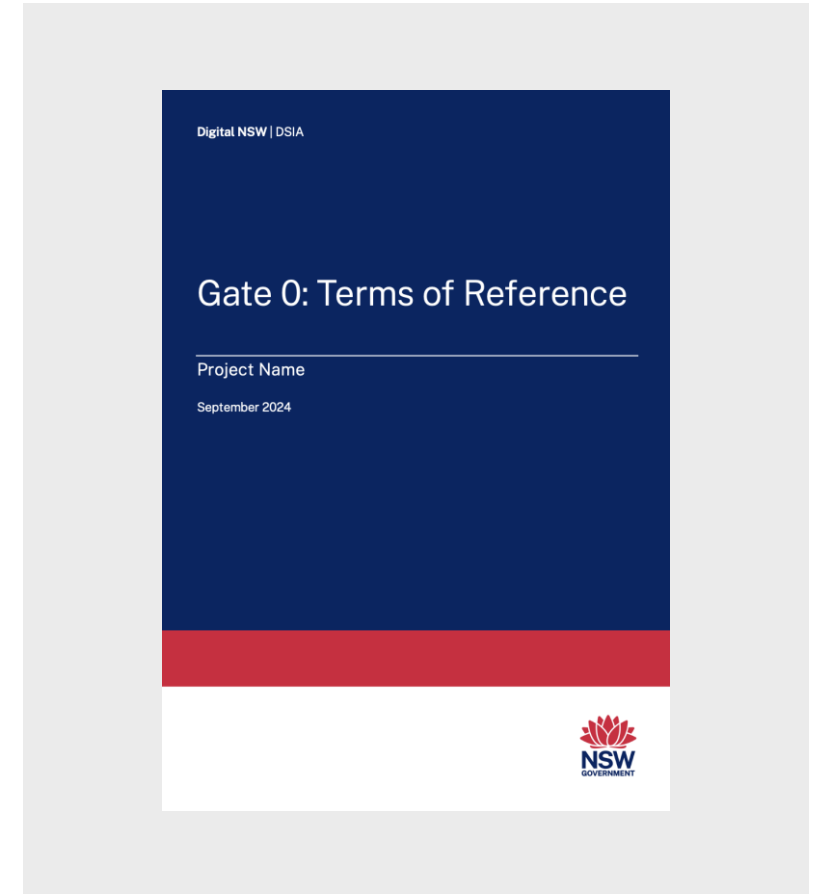
Potential recommendations

Set out in terms of reference and guideline

- Proceed to next phase - the project is to continue to be developed in accordance with the appropriate processes, most commonly through the preparation of a Strategic Business Case;

- Return to ERC with SBC – a strategic business case is to be developed in accordance with the appropriate processes, but the agency must return to ERC with the completed business case for advice on the strategic option to be further progressed;

- Postpone further development of the project – the urgency of the project has not been demonstrated and further investment of resources is not required at this time; or

- Cancel the project – the need for the project has not been demonstrated and resources should not be invested in a business case.
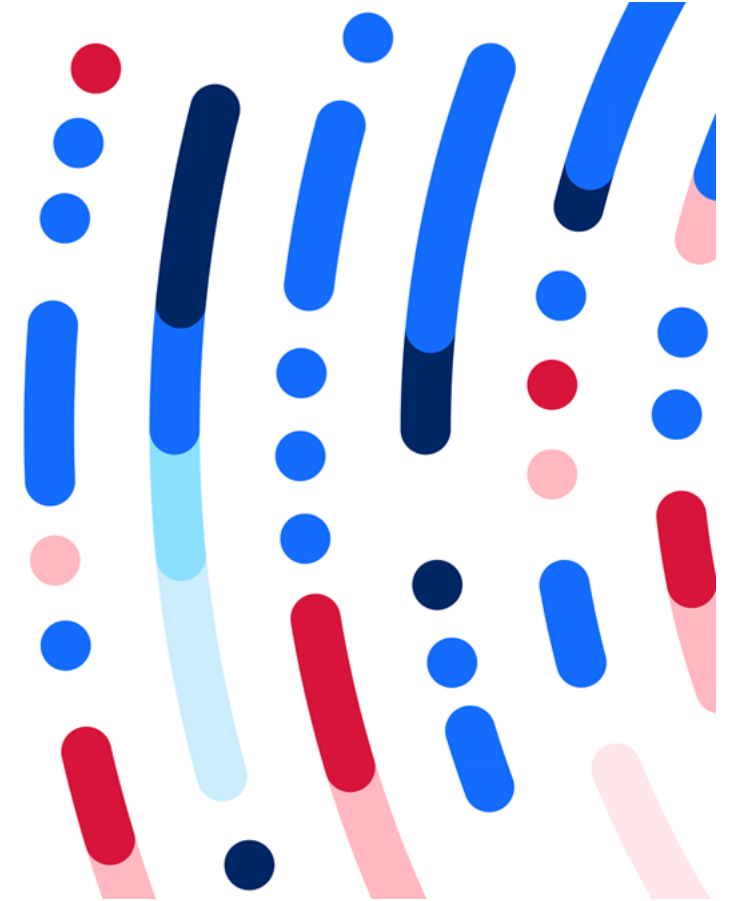
What is the Gate 0 Committee looking for?

**Question 1 – Government priority**

- The scope and timeframe of any election commitments and who made the commitment

- Extent of criticality to any endorsed government priority, strategy or policy

- Dependency of other approved projects or priorities on this project

- Criticality to maintaining statutory compliance

- If the project is to replace an asset at the end of its useful life, demonstration that the asset's function is still needed by the government

- Prioritisation against other similar projects
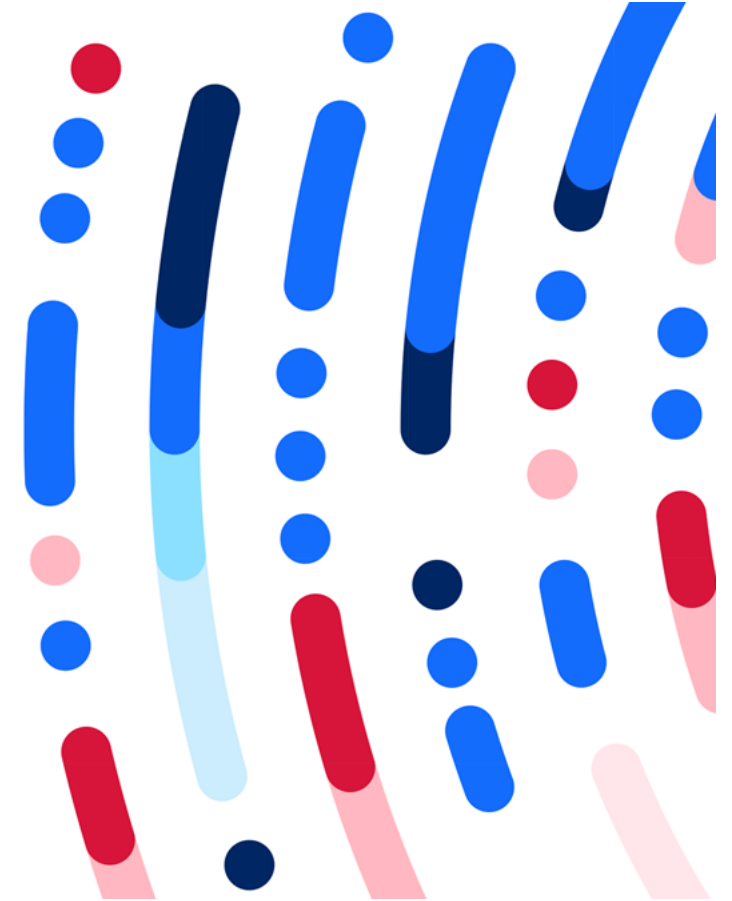
What is the Gate 0 Committee looking for?

Question 2 – Urgency

- Clear objectives and scope

- Demonstrated urgency including any dependencies (eg stated government priority, public safety, capacity constraints, service gaps, commercial requirement, statutory obligation)

- Evidence to support claimed urgency

- For broad-based issues (eg impact of cybersecurity and privacy) demonstration that this project is relatively urgent compared to other actions that need to be taken

- Expected timeframes for each stage of the project and how these align to the drivers of the urgency
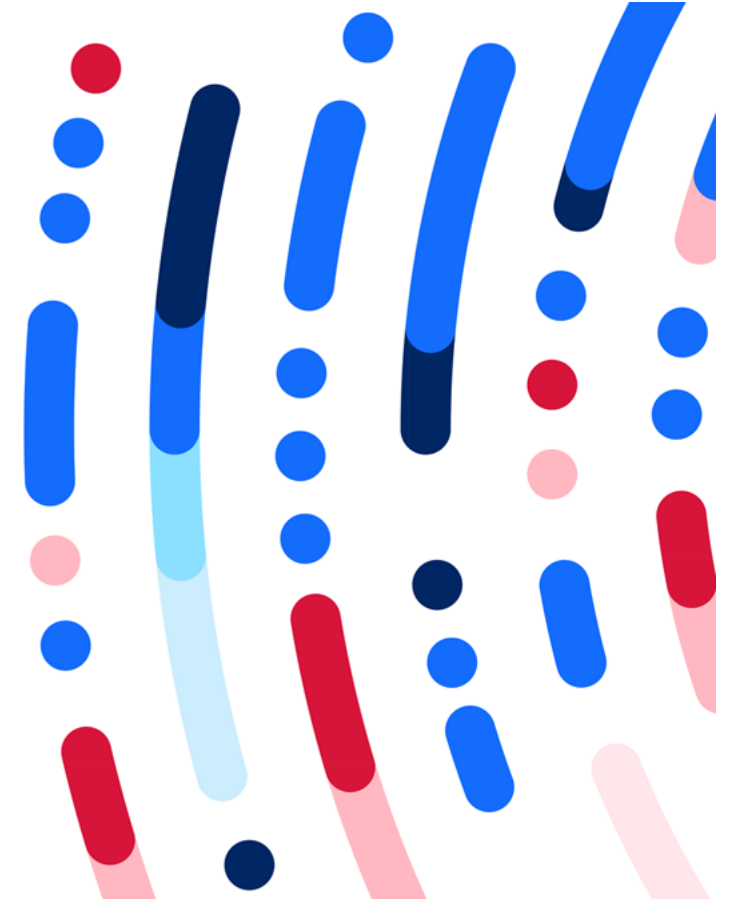
What is the Gate 0 Committee looking for?

Question 3 – Strategic risks

- An extract from agency Enterprise Risks that demonstrates the need for the project

- Clear evidence that the need has arisen from a systematic planning process and is not merely listed

- Evidence of the process by which the agency has demonstrated a requirement to do the project to deliver on the agency's strategic objectives

- Demonstration of the prioritisation process which shows that this project will provide better value for money than other projects which are aligned to the agency's strategic objectives
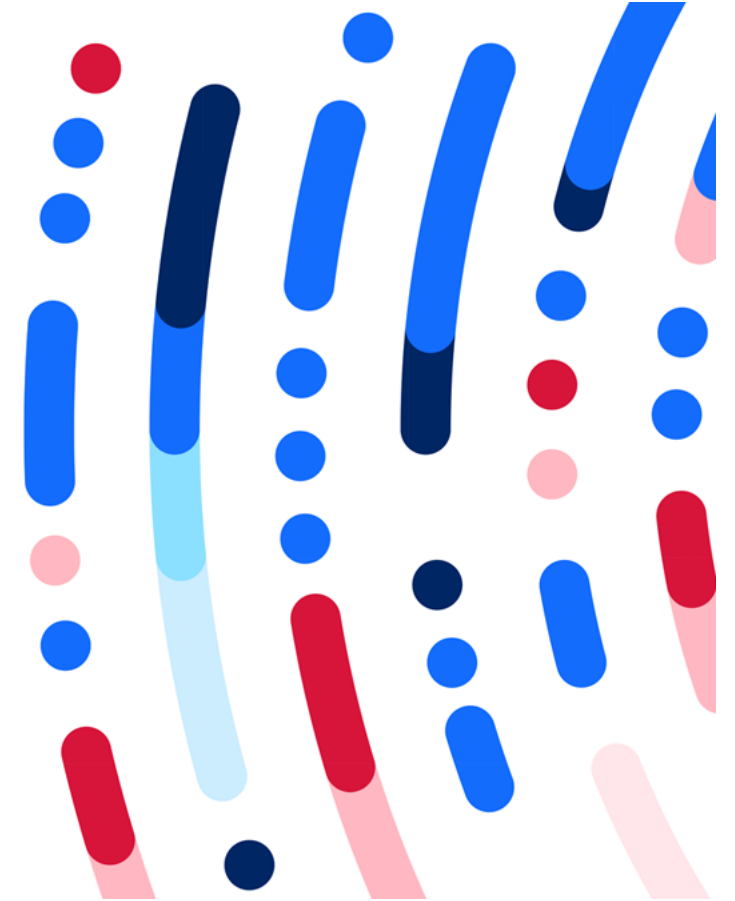
Reasons why projects not been approved to proceed

"Cancel the project" or "postpone the project" recommendations

- No evidence of prioritisation against other similar projects

- Value for money not demonstrated

- Commercial case and need for government to invest not demonstrated

- Did not demonstrate need to replace existing facility

- Objectives of the project were not clear

- No clear minister sponsorship to support the project

"Return to Cabinet with SBC" recommendations

- Election commitment was for a business case only

- Solution was assumed and other strategic options might represent better value for money
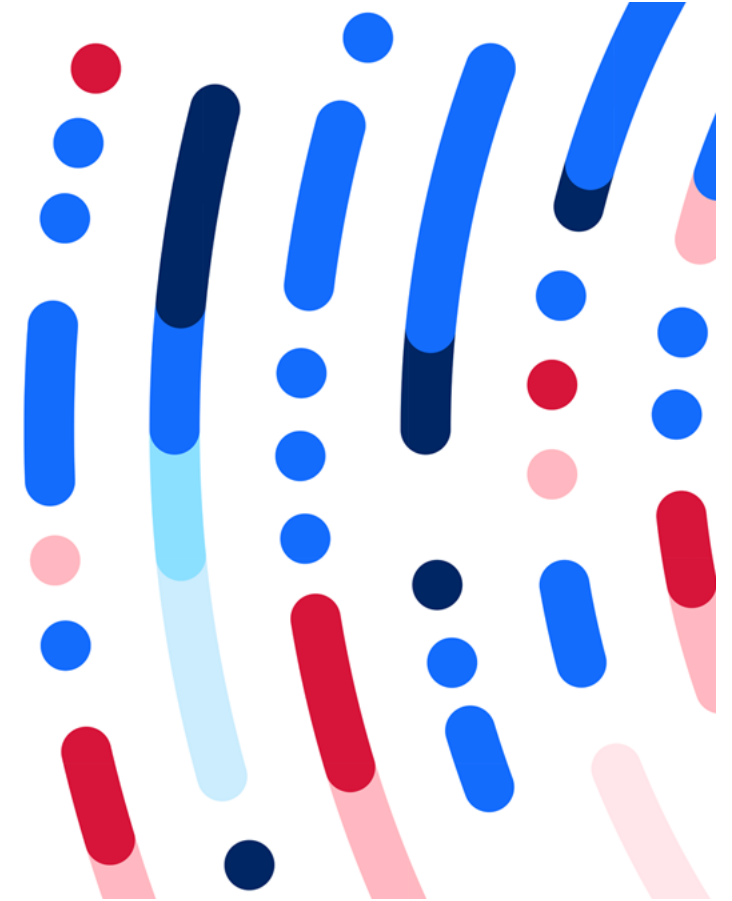
Gate 0 Workbook to be tested in pilot

Report template – Project Justification pilot version

Pilots to be run to test new format of Gate 0

2 Pilots have been identified to Pilot the new Gate 0 process.

1 More project is being sought to widen the field of projects to be assessed.

More information

For more information, please visit:

[Digital Assurance | Digital NSW](#).

Appendix

Pre-Gate Self Assessment Tool
(not part of this Gate 0 Pilot)

Pre-Gate Self-Assessment Tool

- As part of the implementation of the Gate 0 process a Pre-Gate self-assessment tool will be developed to help agencies quickly rule in or out their proposed process

- Self-assessment will help capture all project in the pipeline and provide insights into the types of issues agencies are facing and why they want to develop a solution

- The Self-assessment tool will be built to be as automated as possible with intelligent prompts

- The data will also be linked to the Gate 0 assessment report and prepopulate all the of core material captured in the Self-Assessment tool saving time and effort

- Once completed the agency will write up the Gate 0 draft in a similar way to the new Gate 6 process. A final review and independent assessment of the report will be conducted and then passed on to the DTB subcommittee for Gate 0 review

- Agencies run the Pre-Gate Self-Assessment Tool and could also be feed into the DSIA prioritisation work

Pre-Gateway Portfolio View (self-assessment)

Purpose of review

Develop a view of the future project portfolio

Provide guidance on how projects should be conceived and developed

Identify opportunities for collaboration and shared solutions

Changes from today to address issues:

- Change from existing Gate 0 reviews
- Review of portfolio of projects rather than individual projects
- Refined to fit within the NSW budgeting process
- Increased focus on collaboration opportunities and early guidance
- Business and Digital perspective

Important input

- Agency Corporate Plan
- Asset Management Plans submitted to Treasury
- Available and relevant project documentation
    – Agency Digital project portfolio
    – Need identification documents
    – Indicative costing
    – Project concept documents
    – Investment Proposals (if relevant, including work in progress documents)
- State Strategic Plans
- Government and agency Digital Strategy and EA

Focus of review

- Are business needs well understood?
- Which projects may be high risk?
- Have both business and Digital perspectives been considered?
- Do projects / the portfolio align with NSW Digital strategy and EA?
- Where are the key opportunities for collaboration in the future?
- Where is there opportunity for re-use by the Agency?
- Which projects may require extra thinking?

Required output

- Summary of portfolio alignment with NSW Digital Strategy and EA
- List of common priorities / needs across government for discussion at Strategic Planning workshops / other forums
- Guidance for specific issues identified
- List of potentially high priority / risk projects and scheduled Gate 1 reviews